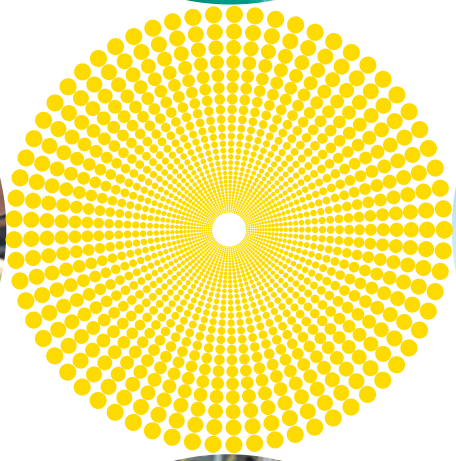
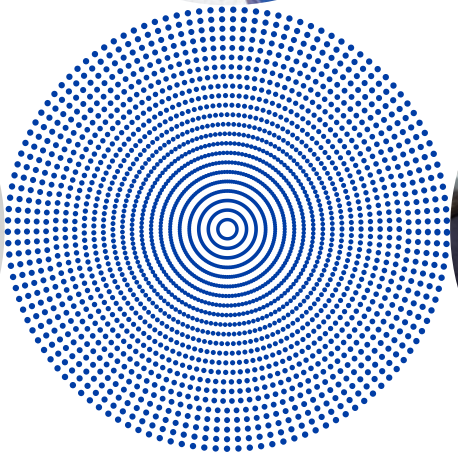
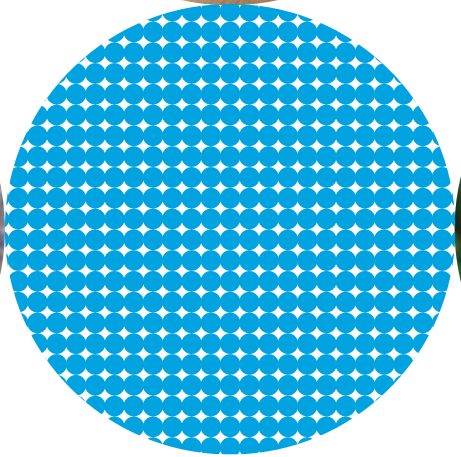









2018 Citizenship Report

START

Message from the CEO

Dear Stakeholders,

We made significant progress in each area of P&G's Citizenship work in fiscal year 2018, and we continue to actively build Citizenship into how we deliver our business results.

Our aspiration is clear. We want to be a force for good and a force for growth. We know that the more we integrate and build Citizenship into how we do business, the bigger the impact we can have on the people we serve, the communities where we live and work and the broader world that surrounds us. In turn, this helps us grow and build our business.

We continue to make positive impact in each area of Citizenship: Ethics & Corporate Responsibility, Community Impact, Diversity & Inclusion, Gender Equality and Environmental Sustainability. Importantly, our efforts in these areas support nearly every objective outlined in the United Nations Sustainable Development Goals.

Here are a few highlights from the last fiscal year:

- Along with our NGO relief partners, we helped those impacted by disasters around the world. For example, we provided more than 2,000 personal care kits and washed more than 2,300 loads of laundry to help those impacted by hurricanes Harvey, Irma and Maria. We also activated our emergency response efforts to aid victims of the earthquake in Mexico and assisted with Syrian refugees in France, Germany and Turkey. And while this report is on a fiscal year basis, it's important to note that we're actively involved in relief efforts for those affected by recent natural disasters in the U.S. and Indonesia.
- Our Children's Safe Drinking Water Program delivered more than one billion liters of clean drinking water last fiscal year and has provided more than 14 billion liters of water to those who need it most since the program began in 2004.
- We increased representation for women, now at 46% of all P&G managers globally, and we increased our U.S. representation and workplace satisfaction of African Ancestry, Hispanic and Asian Pacific American employees.
- We used our voice in advertising to promote important conversations about a full range of equality, diversity and inclusion topics with the "The Talk," "Love Over Bias" and "The Words Matter." We sparked important conversations to motivate positive change along racial, ethnic, sexual orientation, gender identity, disability and gender lines.
- And, we established a new road map to drive sustainability into how we operate to achieve positive impact through our brands, supply chain, society and our employees. This includes making all packaging recyclable or reusable, strengthening trust with our consumers by sharing our safety science across our brands, cutting greenhouse gas emissions from our manufacturing sites in half and continuing to help stem the flow of plastic into the world's oceans.

This work could not have been accomplished without P&G people who come to work every day ready to make a difference in the lives of people everywhere and the many contributions of our business partners.



For more than 180 years, P&G has been touching and improving lives. It's who we are. It's what we do. And it motivates us to do more and be a force for good and a force for growth in the world.



DAVID S. TAYLOR

Chairman of the Board,
President and Chief Executive Officer

EXPLORE THE REPORT

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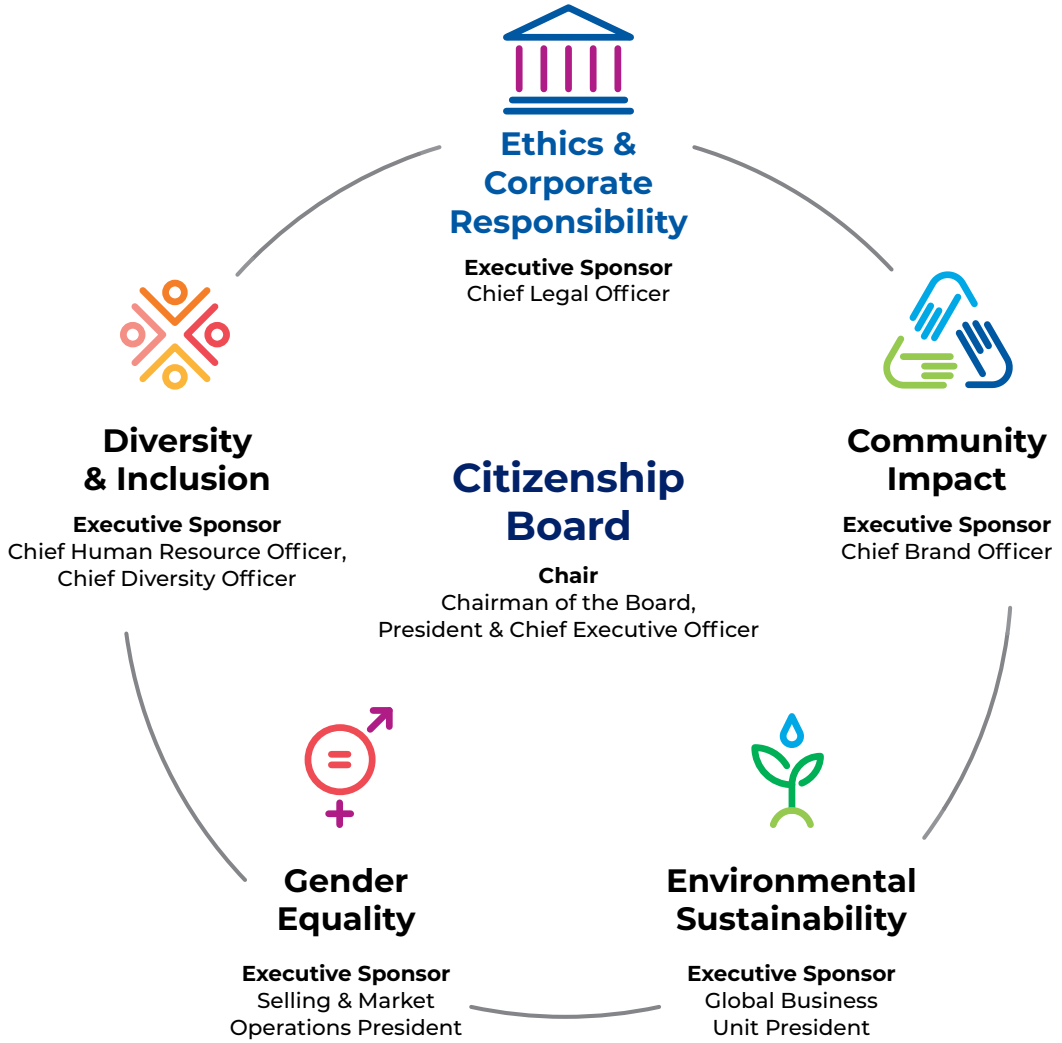
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Internal Management

Our objective is to create industry-leading value by maintaining and enhancing our strong corporate reputation through a strong ethics and compliance culture that supports conserving resources, protecting the environment, improving social conditions, respecting human and labor rights, and empowering individuals and the communities in which we live, work and serve. We start with Ethics & Corporate Responsibility as the foundation for the other four priority areas: Community Impact, Diversity & Inclusion, Gender Equality and Environmental Sustainability. Each of these areas is led by an executive sponsor committed to ensuring we achieve our specific objectives. The executive sponsors of the priority areas come together to form the Citizenship Board with the Chairman of the Board, President and Chief Executive Office as the Chair.



Issue Prioritization

Last year, we conducted an issue prioritization exercise to better understand stakeholder views on citizenship issues relevant for us. We consulted around 80 stakeholders through a combination of on-line surveys and interviews. Stakeholders included investors, civil society groups, retailers, suppliers, industry organizations, experts and P&G employees. The results from the issue prioritization exercise reinforced our strategic focus areas of Ethics & Corporate Responsibility, Diversity & Inclusion, Gender Equality and Environmental Sustainability.

It included the following learnings:

Insight 1
Governance & Ethical Conduct, Human & Labor Rights, Corporate Transparency, and Product Safety & Ingredient Transparency were rated as high priorities by stakeholders. Our ongoing commitment and efforts in these areas are embedded within our entire Citizenship report and highlighted in our Ethics & Corporate Responsibility section.

ETHICS & CORPORATE RESPONSIBILITY

Insight 2
Climate, Water, Waste and Packaging are the current major focus areas of our environmental sustainability pillar and results of the issue prioritization exercise reinforced the importance of these issues for our stakeholders. You can read about our current efforts throughout the Environmental Sustainability section of this year's report.

ENVIRONMENTAL SUSTAINABILITY

Insight 3
The topics of "Promoting Sustainable Lifestyles" and "Sustainable Product Design & Innovation" were also important to our stakeholders. Our brands continue to play a leading role in driving innovation and engaging with our consumers on a wide range of topics. In addition, our Ambition 2030 framework, announced in April, places an increased emphasis on the role our brands can play in driving positive impact. Learn more about the four focus areas of our 2030 Ambition Goals.

AMBITION 2030 ↗



P&G At a Glance

Our aspiration is to serve the world's consumers better than our best competitors, in every category and every country where we choose to compete—creating superior shareholder value in the process. We work hard every day to make quality products and services that improve people's lives, now and for generations to come.

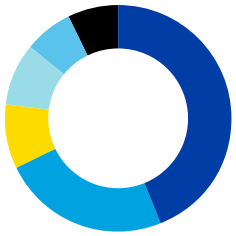
Amounts in billions, except per share amounts	2018
Net Sales	$66.8
Operating Income	$13.7
Net Earnings Attributable to P&G	$9.8
Net Earnings Margin from Continuing Operations	14.8%
Diluted Net Earnings per Common Share from Continuing Operations[1]	$3.67
Diluted Net Earnings per Common Share[1]	$3.67
Operating Cash Flow	$14.9
Dividends per Common Share	$2.79

2018 net sales by business segment[2]



- Beauty 19%
- Grooming 10%
- Health Care 12%
- Fabric & Home Care 32%
- Baby, Feminine & Family Care 27%

2018 net sales by geographic region



- North America[3] 44%
- Europe 24%
- Asia Pacific 9%
- Greater China 9%
- Latin America 7%
- India, Middle East & Africa (IMEA) 7%

2018 net sales by market maturity



- Developed Markets 65%
- Developing Markets 35%

[1]Diluted net earnings per common share are calculated based on net earnings attributable to Procter & Gamble.
[2]These results exclude net sales in Corporate.
[3]North America includes the United States, Canada and Puerto Rico.

A Company of Leading Brands

Our portfolio is organized around 10 product categories and about 65 brands. These 10 category-based business units have historically grown faster with higher margins than the balance of the Company. These are categories where P&G has leading market positions and where product technologies deliver performance differences that matter to consumers. And across all 10 of our categories, we're focused on meaningful and noticeable superiority in all elements of our consumer proposition—products, packaging, brand communication, retail execution (in-store and online) and superior value—in each price tier where we compete.



Fabric Care



Home Care



Baby Care



Feminine Care



Family Care



Grooming



Oral Care



Personal Health Care



Hair Care



Skin & Personal Care



Ethics & Corporate Responsibility

At P&G, we serve nearly five billion people around the world with our brands. We have operations in nearly 70 countries and have one of the strongest portfolios of trusted, quality and leadership brands. As we serve the world's consumers, we believe in—and have publicly committed to—doing what's right and being a good corporate citizen.

VIEW STORIES

Ethics & Corporate Responsibility

Message from Debbie Majoras ›
Our Purpose, Values and Principles ›
Our Commitment to Respect Human Rights ›
Doing the Right Thing with Our Employees ›
Doing the Right Thing with Our Consumers ›
Doing the Right Thing with Our Supply Chain ›
Speaking Up ›
Stakeholder Engagement ›



Message from Debbie Majoras

"While the opportunities we seize and the challenges we face are ever changing, our Purpose, Values and Principles remain a source of strength and advantage to our Company. We are mindful that a reputation of trust and integrity is essential to our success and must be consistently earned by operating responsibility and ethically. Strong governance and compliance practices build that trust, which leads to increased value creation for our consumers, customers and shareholders."



Debbie Majoras
Chief Legal Officer
and Secretary

Our Purpose, Values and Principles



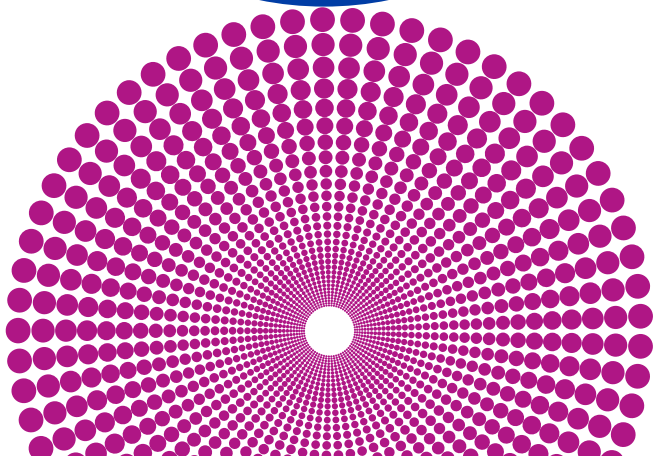
Our **Purpose, Values and Principles** are the foundation of who we are. Our Purpose is to improve consumers' lives in small but meaningful ways, and it inspires P&G people to make a positive contribution every day. Our Values of Integrity, Leadership, Ownership, Passion for Winning and Trust shape how we work with each other and with our partners. And our Principles articulate P&G's unique approach to conducting work every day. We know that P&G employees believe in the personal and business value of this PVP foundation—our PVPs are consistently cited in our annual employee survey as the top aspect about P&G they would not change. Our philosophy is that a reputation of trust and integrity is built over time, earned every day and is what sets us apart.

We operate within the spirit and letter of the law, maintaining high ethical standards wherever we conduct business. We believe that good governance practices contribute to better results for shareholders. We maintain governance principles, policies and practices that support management accountability. These are in the best interest of the Company, our shareholders and all stakeholders, and they are consistent with the Company's Purpose, Values and Principles.

PURPOSE, VALUES AND PRINCIPLES ↗

CORPORATE GOVERNANCE OVERVIEW ↗





Our Commitment to Respect Human Rights

In 2014, P&G published its **Human Rights Policy Statement** that communicates our support for the **UN Guiding Principles on Business and Human Rights**, which are drawn from and reinforce the principles of internationally recognized human rights consisting of: those rights expressed in the **International Bill of Human Rights** (i.e., Universal Declaration of Human Rights and the International Covenants on Economic, Social and Cultural Rights; and Civil and Political Rights) and the principles concerning fundamental rights as set out in the **International Labor Organization (ILO) Declaration on Fundamental Principles and Rights at Work**.

We recognize that it is the sovereign state's duty to protect against human rights abuses by establishing and upholding appropriate laws and policies. We also recognize that some states do not have adequate legal and regulatory frameworks, enforcement mechanisms or have laws that conflict with these internationally recognized human rights. Wherever this is the case, we will always try to do the right thing by respecting human rights consistently across our global operations. We expect these same commitments to be shared by our business partners, and we strongly encourage our business partners to share these same expectations with their business partners.

HUMAN RIGHTS POLICY STATEMENT ↗

UN GUIDING PRINCIPLES ON BUSINESS AND HUMAN RIGHTS ↗

ILO DECLARATION ON FUNDAMENTAL PRINCIPLES AND RIGHTS AT WORK ↗



Child Labor

We do not permit the exploitation of children and do not use child labor in any of our global facilities. We take this commitment very seriously. In 2014, we learned that children were picking postconsumer waste from landfills, which ultimately made its way to our upstream corrugate supply chain. Since then, we have stayed engaged with our corrugate supply chain and used our leverage to enable suppliers to address the issue and provide remedy to the children and their families. Remedy included, for example, establishing schools, enrolling and supporting affected children in the schools, launching mobile health clinics, developing skilled workshops and compensating parents for loss of income. We participated in a panel session at the **2016 UN Forum on Business and Human Rights** to highlight how responsible corporate engagement can be a strong force for advancing the cause of human rights.

UN FORUM ON BUSINESS AND HUMAN RIGHTS ↗

Our Commitment to Respect Human Rights



Forced Labor

P&G supports **The Consumer Goods Forum Priority Industry Principles**, which state: Forced labor is an unacceptable human rights violation that can take multiple forms and must be addressed. While certain employment and recruitment practices may not initially appear problematic, in aggregate or combined with other forms of leverage, they can result in forced labor, particularly among vulnerable workers. We will take active measures to apply these Principles across our global value chains and our operations, to cases where such practices may lead to forced labor. We will seek to apply these Principles to all workers regardless of their employment status, location, contractual arrangements or role.

We do this as part of our collective journey to advance the human rights of workers and positively shape global labor markets aspiring that:

I. Every worker should have freedom of movement.

The ability of workers to move freely should not be restricted by their employer through abuse, threats and practices such as retention of passport and valuable possessions.

II. No worker should pay for a job.

Fees and costs associated with recruitment and employment should be paid by the employer, not the employee.

III. No worker should be indebted or coerced to work.

Workers should work freely, aware of the terms and conditions of their work in advance, and paid regularly as agreed.

PRIORITY INDUSTRY PRINCIPLES

Our Commitment to Respect Human Rights

Non-Discrimination

P&G is deeply committed to an inclusive culture, and P&G does not discriminate against individuals on the basis of race, color, gender, age, national origin, religion, sexual orientation, gender identity or expression, marital status, citizenship, disability, veteran status, HIV/AIDS status or any other legally protected factor. For more information about our Diversity & Inclusion and Gender Equality efforts, visit those sections in the report.

In June 2017, P&G joined the **CEO Action for Diversity & Inclusion** to advance diversity and inclusion in the workplace and has committed to: continue to cultivate workplaces that support open dialogue on complex, and sometimes difficult, conversations about diversity and inclusion; implement and expand unconscious bias education; and share best known—as well as unsuccessful—actions.

CEO ACTION FOR DIVERSITY & INCLUSION

We joined CEO Action for Diversity & Inclusion to cultivate workplaces that advance diversity and inclusion and support open dialogue.

CEO ACTION FOR DIVERSITY & INCLUSION ↗

DIVERSITY & INCLUSION: CHANGING THE CULTURE

GENDER EQUALITY: CHANGING THE CULTURE

Freedom of Association and Collective Bargaining

P&G respects our employees' right to choose to join or not to join a trade union or to have recognized employee representation in accordance with local law. Where employees are represented by a legally recognized union or employee representative, we are committed to establishing a constructive dialogue regarding the interests of both the employees and the business. The Company will bargain in good faith with such representatives in accordance with local law. Whether the facility is union or non-union, we strive to create a high-performing work force—where employees are highly engaged, multi-skilled and process owners.

Doing the Right Thing with Our Employees

P&G people bring our values to life as we focus on improving consumers' lives now and for generations to come. We recruit, hire and retain the best talent from around the world, reflecting the diversity of the markets and consumers we serve. Developing and retaining a diverse workforce provides us with a sustained competitive advantage. We recognize that a diverse mix of backgrounds, skills and experiences drives new ideas, products and services. This maximizes our ability to achieve our goals together.

Confidence and Trust

At P&G, we strive to promote a work environment of confidence and trust. Our **Worldwide Business Conduct Manual (WBCM)** provides employees with clear guidance on specific situations they may face and directs them where to go when they have questions or concerns. P&G is a recognized leader in providing a safe, healthy, secure and productive work environment. We are committed to maintaining a workplace that is free of violence, harassment, intimidation or other unsafe or disruptive behaviors or conditions due to threats inside or outside of our facilities. Each employee has a personal responsibility to their fellow employees and to the Company to follow all Company safety and security procedures, as well as applicable laws and regulations.

Our "Do the Right Thing" training series enables continuous learning for our employees. The all-employee general training session is derived from our WBCM principles: Respect, Integrity and Stewardship and other ethics and compliance topics related to the given theme. In addition, we deploy breakout training sessions based on organization needs. In 2017, the general training session was: "Doing the Right Thing – Stewardship at P&G," and the breakout training sessions were focused on information security and sexual harassment prevention.

We also have a library of engaging, custom-built training courses, which are available to all employees as a resource and are further assigned based on role and location to maximize relevance and impact. These address conflicts of interest, stopping retaliation, opposing bribery and other areas. In 2017, we partnered with a renowned behavioral scientist and an award-winning documentary filmmaker to create a series of short films that spotlight clinical research on integrity and feature P&G leaders and employees reflecting on "doing the right thing." This miniseries of five episodes has been hailed for its cinematic style, the genuine and unscripted participation by executive leadership, and its candid discussion of human vulnerability to the challenges, pressures and unseen psychological factors for which we all must be vigilant.

WORLDWIDE BUSINESS CONDUCT MANUAL ↗



We have an increasing library of custom-built training courses to teach our WBCM principles: Respect, Integrity and Stewardship.



Doing the Right Thing with Our Employees

Celebrating Our Do the Right Thing Culture

Every year, we celebrate our shared Principles, Values and Purpose (PVP) foundation with the "Do the Right Thing Celebration." P&G locations around the world create their own employee engagement events tied to a global theme derived from our Worldwide Business Conduct Manual (WBCM) principles of Respect, Integrity and Stewardship. Events feature activities and contests to engage employees and raise awareness, leadership townhall discussions and inspiring videos from employees making a difference. Sites are recognized for the outstanding results in the areas of creativity, engagement and passionate leadership. Though P&G sets high standards for all employees, those who personally demonstrate commitment to ethics and compliance can also be recognized by peers or managers with a special "PVP Champion" designation. Since its inception in 2016, hundreds of employees have been recognized.

Employees and sites are recognized for outstanding results in creativity, engagement and passionate leadership.

Employee and Labor Relations

At P&G, a fundamental principle is "The Interests of the Company and its Employees are Inseparable," which provides a foundation for advancing our workforce strategy. We believe an engaged and capable workforce is critical to the Company's success. A key strategy to winning in the marketplace is to create a highly-skilled, agile and flexible workforce that delivers business initiatives—better than our competition. We offer an expansive array of skill-building programs that allow employees to grow their individual skills, leading to better business results and career advancement. These programs help to ensure a strong and highly-skilled labor workforce that benefits the Company as well as the communities in which we operate.

We regularly assess employee and labor relations through standard Company tools like our Corporate Employee Engagement Survey and Compliance & Health Assessment Tool. These assessment tools allow us to proactively identify and address any individual or employee group concerns that may potentially impact employee engagement or compliance with local laws or regulations.



Because we value a highly-skilled, agile and flexible workforce, we offer skill-building programs that lead to career advancement.

Doing the Right Thing with Our Employees

Compensation and Benefits

P&G supports paying employees competitive total compensation, as benchmarked against other leading companies. Consistent with our principle of valuing personal contribution and mastery, we provide employees the opportunity to develop their skills and capabilities to enhance their ability to succeed in their career, consistent with the needs of the business. We are a recognized leader in employee benefits, which have been developed to help protect the financial security of employees. While offerings are unique to each country's market practices, they might include things like comprehensive coverage for health care, a competitive pension scheme, vacation and holiday time and other work/family balance benefits including flextime and less-than-full-time schedules, all subject to local requirements.

P&G is also committed to recognizing and rewarding individual and team performance which reflects behaviors consistent with our PVPs and PEAK Performance Factors (Lead with Courage, Innovate for Growth, Champion Productivity, Execute with Excellence and Bring Out Our Best). Recognition helps confirm achievements, contributes to feeling valued and encourages employees to give their very best. It provides evidence that others believe in what we do and that we are doing the right things to help P&G succeed.

VIBRANT LIVING

GLOBAL MEDICAL

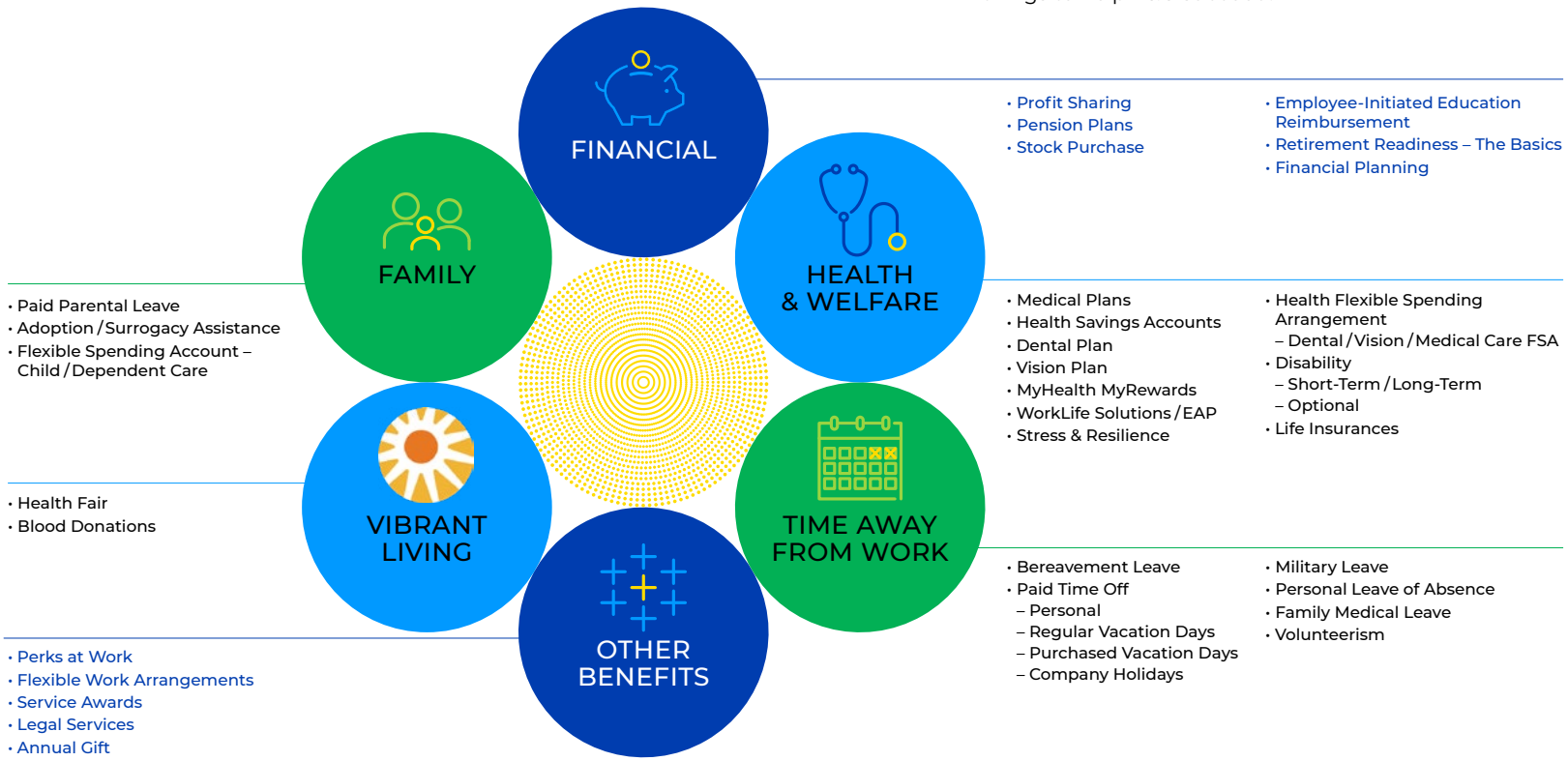


Image describes the types of benefits that P&G offers to its employees around the world. Some of the benefits described in the Benefits Navigator may not be available to all employees at all locations. P&G also may offer some benefits not described in the Benefits Navigator to employees in some locations.

Doing the Right Thing with Our Consumers

Since 1837, we've built a rich heritage of positively impacting consumers' lives with brands that make each day a little better.



We take a rigorous approach to ensure product safety. If we cannot be certain about the safety of an ingredient, we will not use it.



Being Safe, Feeling Safe and Ingredient Transparency

We care about the quality and safety of the products we choose to use in our homes. That's why we take a rigorous approach to ensure product safety, starting with ingredient screening and selection. If we cannot be certain about the safety of an ingredient, we will not use it. Once selected, we define the safe range for every ingredient we use with the same scientific process used by regulatory agencies around the world (WHO, EU, FDA, EPA and others). Then we evaluate ingredients in the final product to confirm their actual use is within the safe range for people and the environment. Once a product is marketed, we monitor how people use it and investigate new scientific information. We also collaborate with external scientists and regulatory agencies to share information and understand new safety methods and approaches. These insights help us evolve our safety approaches and keep pace with the latest data so we can continue to ensure we offer safe products for consumers and families everywhere.

When it comes to people's home and family, we know they seek more information to help them feel safe and to choose what's best for them. That's why we're committed to providing information that is clear, reliable and accessible—what goes into our products, what gets left out and why. Increasingly, we will list product ingredients online via brand websites or apps like SmartLabel™ (available in the United States and Canada). We will also continue to share information about ingredients we do not use, and we are committed to provide fragrance ingredients (down to 0.01% in formula) for products marketed in the U.S. by the end of 2019.

We've taken a rigorous approach to ensure product safety and have made this information publicly available.

PRODUCT SAFETY ↗

SMART LABEL™ PRESS RELEASE ↗

INGREDIENTS WE DON'T USE ↗

FRAGRANCE ANNOUNCEMENT ↗

Doing the Right Thing with Our Consumers

Our Voice in Advertising and Media

We've made a choice to step up and use our voice in advertising as a force for good and a force for growth—by taking a stand on equality. We recognize that P&G and our leadership brands can make a meaningful impact with our wide reach, as images and portrayals of people in advertising embed memories—over and over again—which can lead to bias. That's why as the world's largest advertiser, we've committed to use our voice to promote equality in three ways:

- First, we're dramatically increasing the diversity in our everyday advertising.
- Second, we're developing products and advertising to meet the unique needs of diverse consumers.
- Third, we're addressing a unique challenge in the United States—racial inequality driven by racial bias.

DIVERSITY & INCLUSION: USING OUR VOICE

GENDER EQUALITY: USING OUR VOICE

Keeping Privacy and Security Strong—Protecting Personal Information

Our stakeholders—whether consumers, employees, shareholders or vendors—trust that we will ensure that appropriate privacy and information security controls will be in place to safeguard critical business and personal information and that operations are maintained with due confidentiality, appropriate integrity and are available when needed. Our Global Consumer Privacy Policy says that we respect personal information and take steps to protect it from loss, misuse or alteration and, where appropriate, these steps can include technical measures like firewalls, intrusion detection and prevention systems, unique and complex passwords and encryption. We also use organizational and physical measures such as training staff on data processing obligations, identifying data incidents and risks, restricting staff access to personal information and ensuring physical security including appropriately securing documents when not being used. We are also committed to having an information security program that provides appropriate levels of protection for the types of data we hold.

GLOBAL CONSUMER PRIVACY POLICY ↗



We work with experts around the world to address evolving consumer and employee policies and risks.

Doing the Right Thing with Our Supply Chain



Our supply chains are the backbone of our products, and we are making intentional choices to leverage the footprint of our suppliers, buyers and manufacturing sites to be a driver for good. From transparent sourcing practices that aid consumer decision-making to growing shareholder value through innovation-driving programs like global supplier diversity, P&G is proud to be a leader in supply chain responsibility. This work is built on three pillars: Responsible Sourcing, Supplier Diversity and Sustainable Innovation, all managed by a dedicated Supplier Citizenship team in Purchases.

Our External Business Partner Guidelines establish clear expectations of our direct business partners, including an expectation to respect internationally recognized human rights, comply with all applicable laws and conduct their business ethically and responsibly. We will not knowingly condone or contribute to adverse human rights impacts caused by the actions of our business partners. When we become aware of an adverse impact, we will engage to be part of the solution to address the issue or dilemma, including seeking to prevent or mitigate the adverse impact. We also support our business partners in providing remedy to the affected individuals.

Since 2010, P&G has tracked the performance and improvement of key partner-related environmental measures via the Supply Chain Environmental Sustainability Scorecard. In 2017, we launched our inaugural Supplier Citizenship Scorecard, which builds on the strong legacy of the Environmental Sustainability Scorecard and incorporates all five focus areas of P&G's Corporate Citizenship Strategy: Ethics & Corporate Responsibility, Community Impact, Diversity & Inclusion, Gender Equality and Environmental Sustainability. Developing this new Scorecard allowed us to leverage a more holistic approach to understanding Citizenship efforts in our supplier ecosystem that could allow strategic collaboration while equipping our external business partners with resources that they can use to advance their own Citizenship efforts so that we may all be a force for good and a force for growth.

More than 120 of our strategic partners completed the scorecard, and the results were invaluable. Our partners confirmed that they are actively engaged in their communities, with 87% of them having well-established initiatives such as supporting children's health and education, empowering women economically, protecting the environment, fighting against hunger and poverty and many others. More than 75% of our partners have a documented responsible sourcing plan or are working toward developing one, and more than 60% have programs to recycle, reduce and reuse potential waste materials.

EXTERNAL BUSINESS PARTNER GUIDELINES ↗



Our Supplier Citizenship Scorecard tracks performance and improvement of key partner-related citizenship measures.

Doing the Right Thing with Our Supply Chain



We assess and screen partners and new vendors through a robust third-party risk management process to identify and remediate top risks before and after hiring.

Responsible Sourcing

Responsible Sourcing is a critical pillar in our Citizenship program, and one that every P&G buyer touches through his or her work to drive environmental sustainability and human and social rights. Our vision is to be the company with the most responsible, ethical and transparent supply chain. We are continually assessing risks in our supply chain and driving clarity and resolution if needed. This is part of our desire to be a force for good. We execute this vision by focusing across the global business, with greater emphasis on high-risk countries and spend areas. Our partnerships with key NGOs and suppliers ensure we are focusing on the most critical areas. This external input was strengthened by our mapping of our salient issues, and we now have developed strategies to reduce risk and protect our environment and people who work in the supply chains.

We empower responsible supply chains through a supplier education and audit system. Our risk-based program supports this effort by assessing partners through third-party audits that identify and remediate issues with labor standards, health and safety concerns, environmental issues and business ethics. To date, we have completed two waves of social audits with more than 400 suppliers, with a third wave already underway. We screen new vendors through a robust third-party risk management process to identify and remediate top risks before hiring. In these and other efforts, we build a robust system of business partners that is fully integrated and synchronized with P&G's business and values.

Doing the Right Thing with Our Supply Chain

Supplier Diversity

We are committed to growing and developing our business with diverse suppliers because we believe that a diverse group of business partners will out-innovate and out-perform a non-diverse group of business partners. Supplier Diversity is P&G's program to grow and develop supply-side business: globally with women-owned business, and in the United States with minority-owned; Lesbian, Gay, Bisexual, and Transgender-owned; disability-owned; and U.S. Military Veteran-owned businesses. Supplier Diversity is predicated on creating value in our business and value in our community. When we invest with diverse suppliers, we not only strengthen our innovation and go-to-market capabilities but also touch and improve the lives of the women and men who work in these companies—and through them, their families and the communities in which they live and work.

Supplier Diversity is a competitive advantage for P&G. Since we launched this program four decades ago, we have developed economic inclusion for all business owners while delivering Total Shareholder Return in qualitative and quantitative ways.

- Diverse suppliers outperform non-diverse suppliers in our formal Supplier Performance Development Process surveys.
- Our diverse supply base delivers above-average results in key metrics like hiring diverse employees and engaging in community impact activities.
- Our strong Supplier Diversity program delivers value to P&G's key retail customers who support and encourage diverse supplier inclusion.
- The adversity that diverse suppliers often face results in their ability to drive step-change innovation, and some of our most innovative programs have been driven by our diverse suppliers.
- P&G's diverse consumer base is increasing buying power at a rate that is disproportionate to its population growth; diverse consumers are loyal to P&G brands and are committed to continuing to purchase products from companies like P&G that support diversity in the supply chain.



We seek to grow and develop relationships with diverse suppliers that will then create value in our communities.

Principally, we believe in the power of economic inclusion. When the ownership of our supply base reflects the diversity of our employees, consumers and stakeholders, our business grows and our communities thrive.

MORE DIVERSITY & INCLUSION INITIATIVES



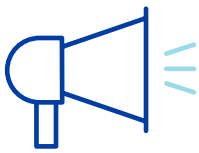
Sustainable Innovation

We aim to reduce our environmental footprint through partnership with our external partners. We have connected a team of key suppliers to collaborate with us to solve our supply chain's most challenging problems, driving innovation that is sustainable for both the business and the planet. We are developing unique plans to optimize our supply chains that drive improved circularity in water, waste and/or climate. This is linked to P&G's Ambition 2030 strategy that reinforces how we will continue to be a force for good and a force for growth.

AMBITION 2030

Speaking Up

Our employees hold themselves and one another accountable for operating with trust and integrity, for stepping up as leaders and owners of the business and for balancing stewardship with a passion to win. We are committed to creating a work environment that fosters open communication and supports employees in reporting potential violations. Employees and individuals in our operations or extended supply chain can report violations of the law or Company policies at the **Worldwide Business Conduct Helpline**, which is staffed by an independent third party 24 hours a day, seven days a week and includes, where permitted by local law, an anonymous way to report concerns. P&G is committed to reviewing all allegations of wrongdoing with trained teams who ensure thorough, impartial and fact-based investigations. Proper investigation is essential to promoting a culture of integrity, reducing the likelihood of incidents occurring and increasing willingness to proactively raise concerns. It is an important part of our commitment to prevent and detect wrongdoing. Retaliation for raising concerns in good faith is inconsistent with our Values of Integrity and Trust and simply will not be tolerated.



Employees and individuals within our extended supply chain and operations are encouraged to speak up and report concerns.

WORLDWIDE BUSINESS CONDUCT HELPLINE ↗



Stakeholder Engagement

We acknowledge that improving transparency, respecting human and labor rights and sourcing responsibly is an enormous challenge, and progress will be made through a journey of collaboration and engagement with our stakeholders. Thus, we seek meaningful collaboration and engagement with our stakeholders to be a good corporate neighbor and to improve lives in the communities where we live and work.

Employees

Every year, we survey all employees globally—from plant technicians to our office population—via the P&G Survey. Almost 80% of employees make their opinion count by responding to the survey, and their feedback is extremely valuable in assessing what we do well as a Company and where we can improve, and action plans are put in place. We also compare our results against our external benchmarking group and find P&G scoring higher than the average of our peer group on the majority of our benchmarking questions—showing that we remain an Employer of Choice versus competition. Every year, the P&G Survey proves how ingrained our PVPs are in the organization. Continuing to uphold and safeguard our PVPs consistently is the top response to "What should not change about P&G?"

Quotes from the Employee Survey:

"Our PVPs and our employees are a bedrock foundation for the Company. At P&G, this is so deeply ingrained in our DNA that we often don't recognize it."

"David has hit the nail on the head about straight talk, personal accountability and raising the bar."

"Our PVP. I love that we still care about this and we always have the PVPs to count on to guide our choices."



Our annual global survey helps us assess what we do well, where we can improve and what should not change.

Investors

We value our relationships with all our shareholders. Engagement with shareholders builds mutual understanding and a basis for progress, and the input we receive from them significantly impacts our corporate governance practices. Senior management, our investor relations team and subject matter experts from the Company maintain a year-round dialogue with investors to gain their perspectives on current issues and address any questions or concerns, and we make our directors available for engagement with shareholders when appropriate. The Company's top 100 institutional shareholders collectively own nearly 50% of the Company's outstanding shares of common stock, and we generally focus our proactive shareholder outreach efforts on these shareholders. We conduct meetings with institutional shareholders in person, via telephone calls and one-on-one at conferences throughout the year. We also routinely respond to individual shareholders and other stakeholders who provide feedback about our business.

Stakeholder Engagement

Consumers

We are committed to providing products and services that can help improve the lives of our consumers all over the world. In developing and marketing our products, we adopt a "Consumer Is Boss" approach to ensure that we delight consumers by launching only new products and product improvements that genuinely meet their needs. We actively encourage consumers to contact us because we want to hear about our consumers' experiences with our products. We feel very privileged that consumers care enough about our products to contact us.

CONTACT US ↗

Communities

Each P&G production facility has site-specific activities to build appropriate and constructive relationships with industry associations, residential and business neighbors, action groups, thought leaders and news media. Depending on the cultures and interests of individual communities, this can range from regular official meetings, during which new information is shared or questions are answered, to more informal meetings.



Our facilities engage with surrounding authorities, leaders, associations, residential and business neighbors and media.

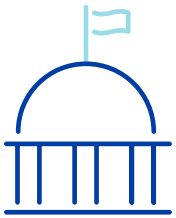
External Business Partners

We work closely with our external business partners to ensure that our products are sourced responsibly. P&G's Sustainability Guidelines for External Business Partners set our expectations with our supply base regarding Social and Environmental Responsibility. We actively seek business relationships with partners that share these values and that promote high standards within their own supply chains.

EXTERNAL BUSINESS PARTNER GUIDELINES ↗

Authorities: Local – Regional – Global

We are focused on meeting consumer needs in the countries where we do business, while creating value for our shareholders and continuing to be good corporate citizens. Guided by our PVPs, we appropriately engage in the political process to ensure that the interests of our employees, consumers and shareholders are fairly represented at all levels of government around the world. We are committed to being transparent about our political involvement globally, and our policies and procedures on appropriate contact with government officials prohibit bribery and any kind of improper influence.



P&G is involved in the political process globally for the interests of our employees, consumers and shareholders.

P&G's approach to taxes is also based on our PVPs. Consistent with the law and international norms, we believe tax should follow business substance and that profits are generated where key business activities take place. We are committed to the highest level of tax compliance. In doing so, we observe and adhere to the tax law, the underlying tax policy intent, and the disclosure and reporting requirements.

OUR POLITICAL INVOLVEMENT ↗

TAX PRINCIPLES ↗

Non-Governmental Organizations (NGOs): Local – Regional – Global

P&G frequently enters into dialogue with NGOs to understand their concerns and cares. NGOs and our engagement with an NGO can vary by area of interest (e.g., environmental, consumer, human rights) and by geographic links (from local to global).

Principal Industry and Business Associations

We hold membership in many industry and business associations whose activities are related to the Company's. These associations provide a forum for us to promote and defend our interests in the broader industry context while providing a lawful platform for joint research, issue monitoring and sharing of best practices. Participation in business associations is controlled by Company policy to ensure such industry activities have the right governance and oversight.



Community Impact

Our brands touch the lives of nearly five billion people, and we are there when our products matter more than ever. We provide the comforts of home in times of disaster and bring the power of clean water to people who need it most. We focus where we can uniquely bring value and where our brands and people can make the biggest difference. Here are some of the heartwarming stories from this year.

VIEW HIGHLIGHTS

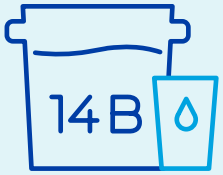
VIEW MORE STORIES



HIGHLIGHTS

P&G Children's Safe Drinking Water Program

P&G is a company founded on cleaning expertise and innovation. We provide products that help people clean their clothes, floors, hair, teeth and babies. So when one of our scientists discovered a way to clean dirty water and make it drinkable, an idea was born to help those nearly billion people who struggle with finding clean drinking water every day. We launched our Children's Safe Drinking Water Program in 2004 and have worked with more than 150 partners around the world to provide more than 14 billion liters of water to those who need it most. This simple-to-use technology has been transformative for communities around the world—keeping children and their families healthy, able to pursue their educational dreams and helping to provide economic opportunities for so many people with just a bucket, a stick, a cloth and a P&G Purifier of Water packet. This is improving everyday life at its core. To celebrate World Water Day 2018, we partnered with National Geographic to tell the stories of Mary in Kenya, Veronika in Indonesia and Antonia in Mexico, and the power of clean water to their families.



Since 2004, we have provided more than 14 billion liters of clean drinking water.



HIGHLIGHTS

16 Years of Making a Difference

In the UK, P&G has a long-standing partnership with In Kind Direct. Founded in 1996 by His Royal Highness, The Prince of Wales, In Kind Direct is the leading UK charity dedicated to distributing donated consumer products from manufacturers and retailers to UK charities working at home and abroad. Since 2002, P&G has donated more than $50 million worth of products which have benefited more than 5,800 charitable organizations and was awarded with a special recognition for ‘Greatest Volume of Products Donated’ by the charity in 2017.

in kind direct
Product giving for social good

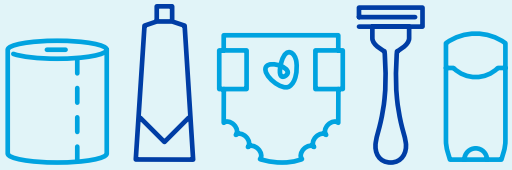
Since 2002, P&G has donated $50 million worth of products in partnership with In Kind Direct.



HIGHLIGHTS

Hurricane Help

The southern U.S. and Caribbean were hit hard during the 2017 hurricane season when hurricanes Harvey, Irma and Maria brought widespread devastation to Texas, Florida, Puerto Rico and multiple countries in the Caribbean. Communities suffered tremendous damage, and people were without basic comforts for extended periods of time. It's in times like these where our products can mean the most. P&G, along with our partner Matthew 25: Ministries, deployed our relief efforts to multiple states in the U.S. and delivered more than 2,000 personal care and cleaning product kits providing everyday essentials like Crest toothpaste, Charmin toilet paper, Gillette razors, Secret deodorant and Pampers diapers. The team also washed and dried more than 2,300 loads of laundry through the Tide Loads of Hope program. Similar programs were deployed in Puerto Rico, and P&G supported broader emergency relief efforts throughout the Caribbean in partnership with organizations including Americares, International Medical Corps, GlobalMedic and Save the Children.



We delivered basic comforts to those in need with more than 2,000 disaster relief kits filled with P&G products.



HIGHLIGHTS

Helping Close to Home

In 1915, P&G helped establish the Cincinnati Community Chest, which today is known as the United Way of Greater Cincinnati (UWGC). UWGC impacts the lives of people in 10 counties across Ohio, Indiana and Kentucky. The annual P&G United Way campaign provides support to reach bold goals like preparing children for kindergarten, helping families achieve financial stability and ensuring people lead healthy, quality lives with maximum independence. This year, P&G employees, shareholders and retirees donated $9.7 million to the organization's annual campaign.

United Way of Greater Cincinnati

We donated $9.7 million to the UWGC's annual campaign, helping those in our Greater Cincinnati headquarters community.



HIGHLIGHTS

Not Your Average House

In Costa Rica, 564 tons of plastic waste is thrown away every day, and only 14 of those tons are recycled—the rest ends up in landfills or in our environment. Working with Habitat for Humanity, we are taking that waste and turning it into homes. Through innovative technology that enables a new method of construction based on recycled plastic blocks, we are building homes that are fireproof, anti-seismic, water and humidity proof and require no maintenance. More than 200 volunteers helped build homes for two single moms—Rocio and Cindy—and their families. Each of these homes uses about seven tons of recycled plastic, and the construction system has been approved by the highest-ranking institute for building construction in Costa Rica.



More than 200 P&G volunteers helped build homes out of recycled plastic blocks for two single moms in Costa Rica.



We're building homes with Habitat for Humanity that use about seven tons of recycled plastic each.

Community Impact

- Message from Marc Pritchard
- P&G Children's Safe Drinking Water Program
- Disaster Relief
- Habitat for Humanity
- Brand Programs
- Latin America
- Europe
- Asia Pacific
- Greater China
- India, Middle East and Africa
- North America
- Employee Well-Being
- Awards & Recognitions



Message from Marc Pritchard

"P&G has a long history of giving back to communities where we live and work. It's foundational to who we are as a Company. It starts with our brands, which make life a little better every day. And in times of need and crisis, our brands can have even greater impact. Through disaster relief, providing clean drinking water and other global and local programs, we provide support where our brands and our people are needed most.

We invest in people and communities around the world because it's the right thing to do and because our brands and our Company are well-positioned to help. We also know that when communities are strong and thriving, businesses can grow. Our community impact programs are a force for good and a force for growth."



Marc Pritchard
Chief Brand Officer

P&G Children's Safe Drinking Water Program

Nearly a billion people live without access to clean drinking water and as a company founded on cleaning expertise, we've stepped up to do something about it. In 2004, we introduced the Children's Safe Drinking Water Program and since then, with the help of our more than 150 partners around the world, we've delivered more than **14 billion liters of water** to those who need it most. With just a bucket, cloth, spoon and our Purifier of Water packet, we can help transform lives.

Each 4-gram packet has the power to clean 10 liters of water in just 30 minutes and packs the power of a water treatment facility into a tiny packet. Having clean water enables health, education and economic opportunity, and we are well on our way to meeting our goal of 15 billion liters by 2020.

This year, we partnered with National Geographic and created a documentary that tells the transformational story of three women who were introduced to the P&G Purifier of Water packets. You can view the 2-minute trailer by clicking the link below. These videos were made possible through the help of our partners CARE, ChildFund and World Vision.

TWO-MINUTE OVERVIEW

"In some parts of the world, we take for granted the availability of clean water. People in countries like Mexico, Indonesia and Kenya struggle with finding clean water to drink. And without clean drinking water, it's much harder to keep their children healthy, have them get an education and provide a better life for their families. Our goal in partnering with National Geographic is to share these stories about the power of clean water and to inspire others to make a difference and become a part of the solution."

– Marc Pritchard, Chief Brand Officer and Community Impact Executive Sponsor

THE POWER OF CLEAN DOCUMENTARY

MARY'S STORY (KENYA)

VERONIKA'S STORY (INDONESIA)

ANTONIA'S STORY (MEXICO)





Each 4-gram packet has the power to clean 10 liters of water in just 30 minutes.





P&G Children's Safe Drinking Water Program

Our Family Care organization works with a strategic supplier, Fibria. Unfortunately, some Fibria employees live in a place where there is no access to clean water. So we partnered with Fibria and provided clean drinking water to their employees who live in these communities, bringing clean water to those who are part of our own supply chain.

To help bring awareness to the water crisis, we conducted a survey in February. Survey findings show that most U.S. consumers are concerned about the safety of their drinking water, but do not know that approximately 1 in 10 people around the world lack access to clean drinking water. Survey findings further highlighted that Americans are largely unaware of the progress that has been made to date to address the global water crisis.

Nearly 70 percent of respondents believe that the crisis has stayed the same or gotten worse, with almost one in four saying that the problem has become much worse. In reality, the global effort to solve the crisis is making progress. In the last 25 years, 2.6 billion people have gained access to clean water but there are still 844 million people yet to reach by 2030 to achieve United Nations Sustainable Development Goal #6.

In the last 25 years, 2.6 billion people have gained access to clean water but there are still 844 million people yet to reach.



Working with more than 150 valued partners, P&G is providing more than one billion liters of clean drinking water every year and continues to play a part to help end the global water crisis.

To view the infographics with the survey data, click below.

SURVEY DATA



Having clean water enables health, education and economic opportunity.

Disaster Relief

P&G provided product donations and services in response to more than 25 disasters globally, helping millions affected by natural and humanitarian disasters, working in collaboration with numerous disaster relief partner organizations. These efforts were powered by brands such as Always, Gillette, Oral-B, Mr. Clean, Pantene, Tide, Vicks and others, and tens of thousands of products have been donated to those in need around the world. We have also provided more than $1 million in monetary grants to partner organizations like the American Red Cross, Americares, CARE, Direct Relief, GlobalMedic, Save the Children and World Vision to support immediate and ongoing response efforts.

Globally, P&G responded to multiple disasters including the 7.1-magnitude earthquake which hit Mexico City, Morelos and Puebla states in September 2017. P&G Mexico activated their emergency response efforts including provision of products, P&G Purifier of Water and other donations in collaboration with NGO partners United Way Mexico, the Mexican Red Cross and CADENA. Other global responses included the Chennai floods in India, the 6.5 magnitude earthquake in China's Sichuan province, Mt. Agung volcano eruption in Indonesia and support of Syrian refugees in France, Germany and Turkey.

Resilience in the Face of Heartbreak

Harvey

In September 2017, a powerful category 4 hurricane made landfall near the coastal town of Rockport, TX. The devastation left behind from the storm was vast and overwhelming—cars crushed by uprooted trees, houses flipped over, telephone poles snapped like twigs and debris spread across the city. Schools and businesses alike were forced to close for an extensive period due to the level of damage.

The P&G Mobile Relief program, alongside our disaster relief partner Matthew 25: Ministries, arrived in Rockport and witnessed the tremendous need firsthand as residents began the difficult process of salvaging possessions and rebuilding their lives. One couple, after losing their house and everything that they owned, planned to take their trailer on the road to help others affected by disasters. Community members banded together to set up food stations and others spent the morning cleaning up senior centers before returning to clean up their own homes.

It's in this spirit that P&G is proud to support communities like Rockport by providing everyday essential products from brands like Always, Bounty, Charmin, Crest, Gillette, Ivory, Mr. Clean, Oral-B, Pantene, Pampers and Secret in addition to providing clean clothes washed with care through the Tide Loads of Hope program.





Our response to these disasters included $1 million in monetary grants to partner organizations.

Disaster Relief





Irma
Not long after Hurricane Harvey, Hurricane Irma struck the Caribbean and Florida. We again deployed our support efforts and in addition to Rockport, TX, the Mobile Relief team distributed P&G products in 14 cities. The U.S. deployment to support those impacted by hurricanes Harvey and Irma was one of the largest P&G mobile disaster relief efforts to date.

Maria
Hurricane Maria was a powerful Category 5 storm, causing catastrophic damage to several islands in the Caribbean and striking Puerto Rico as a powerful Category 4 storm, already heavily damaged by Hurricane Irma. P&G employees in Puerto Rico showed amazing resilience while coping with their own personal recovery and lack of electricity. They worked tirelessly to not only restore full operations in 60 days, but to support their own community with free services like the Beauty & Grooming brand mobile relief unit “Nuestra Belleza Prevalece” (“Our Beauty Prevails”) and “Ace Viste a Puerto Rico de Esperanza” (“Ace Dresses Puerto Rico with Hope”), a mobile laundry unit. More broadly, P&G provided immediate grant support to multiple organizations, including Americares, International Medical Corps and GlobalMedic. To meet the critical need for clean drinking water, we worked with the U.S. Government, UN agencies, universities and NGOs to provide P&G Purifier of Water packets.

P&Gers Respond When Disaster Hits Close to Home

In the last few months of 2017, California experienced some of the worst wildfires in history. In October, in Northern California, a series of 250 wildfires broke out, 21 of which became major fires that burned more than 245,000 acres. In December, a series of 29 wildfires ignited across Southern California and led to widespread evacuations and property losses. The wildfires burned more than 307,900 acres causing traffic disruptions, school closures and hazardous air conditions, and forced more than 230,000 people to evacuate. The P&G Mobile Relief team, powered by Matthew 25: Ministries, helped respond with provision of products and Tide Loads of Hope. P&G also provided an emergency grant to Direct Relief, a local disaster relief partner.

The Southern California fires also hit close to home, directly impacting the P&G Oxnard plant and its employees, forcing more than 50 to evacuate their homes, with three losing their homes in the fire. Despite intermittent power outages and reduced staff, plant management and employees worked to ensure that the plant continued to operate. In addition, employees came together and organized efforts to help one of their own sift through the burned remains to salvage precious items. They helped assist with local efforts by picking up products and delivering them to the Salvation Army and fire companies in the area. These are true examples of P&Gers performing at their best during a very difficult time to make a difference in the lives of others.

Disaster Relief

Partnering to Help

Matthew 25: Ministries is an international humanitarian aid and disaster relief organization founded in 1991.

P&G began donating small amounts of extra product to Matthew 25 in 2004—now, Matthew 25: Ministries is one of our largest corporate product donation partners. In 2017, P&G donated 1.9 million pounds of products which were distributed by Matthew 25 to multiple destinations within the U.S. as well more than 25 countries around the world.

In 2012, P&G also began partnering with Matthew 25 on a mobile disaster relief program positioning P&G personal and home care product kits in advance of natural disasters. Kits are packed by P&G employees and community volunteers and then distributed by Matthew 25's Disaster Response Team following mid- and large-scale disasters in the U.S. and internationally. P&G brands represented in disaster kits include Always, Bounty, Charmin, Crest, Dawn, Febreze, Gillette, Head & Shoulders, Ivory, Mr. Clean, Old Spice, Oral-B, Pampers, Pantene, Secret, Swiffer, Tampax, Tide and Venus. Since 2012, P&G and Matthew 25 have partnered on more than 50 deployments in response to hurricanes, tornadoes, storms, earthquakes, tsunamis, flooding, droughts and wildfires across the U.S. and internationally, helping millions of people coping with the aftermath of a catastrophic disaster.

In 2015, the program expanded to include the Tide Loads of Hope Mobile Laundry Unit. The Tide Loads of Hope Mobile Laundry Unit is designed to be an agile part of Matthew 25's disaster response fleet, providing laundry services to emergencies, disasters and similar crisis events. Since its beginning in 2005 following Hurricane Katrina, Tide Loads of Hope has washed more than 68,000 loads of laundry for more than 50,000 families impacted by disasters across the U.S. and Canada.

Matthew 25 Ministries

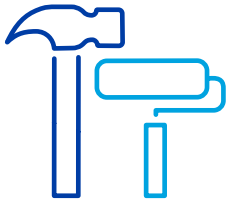




In 2017, we donated 1.9 million pounds of products which were distributed by Matthew 25: Ministries to destinations in the U.S. and around the world.

Habitat for Humanity

P&G understands that improving lives starts at home. Our partnership with Habitat for Humanity shows our commitment to improving homes and communities where we live and work. Over the past year, P&G and Habitat for Humanity worked side-by-side on projects in 17 countries in Asia, Europe, Middle East, Africa, Latin America and North America. Through our partnership with Habitat for Humanity, P&G employees volunteered more than 4,000 hours to build or repair homes, or complete neighborhood revitalization projects. Throughout the world, the goal was the same: help families realize their dreams of homeownership or improve the places they already call home.



P&G employees volunteered more than 4,000 hours to build or repair homes or complete neighborhood revitalization projects.

This year, some activities included:

Singapore
P&G employees cleaned and repaired the homes of elderly and disabled people and helped to transform communities into vibrant and safer places to live.

Europe
Employees helped to restore a refuge facility for women and children escaping abusive relationships in London. The project helped sixteen families on their journey of recovery. There were also activities in Romania, Poland and Hungary in addition to the expansion of the partnership in the UK.

Latin America
P&G employees volunteered to complete various home and community improvement projects that included improving local school buildings and repairing homes and community building affected by natural disasters. Also, P&G's commitment contributed for constructing wood stoves in homes of families in need to help them prepare meals and provide heat in the winter.

North America
A Cincinnati P&G team volunteered to help build a home and teams from P&G Canada helped build homes in the Greater Toronto Area.





Brand Programs

Tide Loads of Hope

Tide Loads of Hope provides mobile laundry units and laundry services to help families impacted by disaster. This year, the program cleaned more than 3,800 loads of laundry, helping more than 1,700 families during five deployments.

We cleaned more than 3,800 loads of laundry, helping more than 1,700 families during five deployments.

"We have no electricity. It's hard at night; it's scary. You look out and it looks like everything is dead; the town is dead. You have hope for the morning and when you wake up and see the light and give thanks that you made it to the morning. And we go on. The guys and girls from Tide are amazing. It is just a blessing to be able to do this because clean clothes lift our spirits, it tells us that everything is going to be OK. You are revitalized; you feel better; all around you feel better. We are going to survive, we are survivors...This Loads of Hope, it gives hope. It really does!"

– Jenny, Hurricane Harvey flood victim

Safeguard

2017 marked the 10th anniversary of Global Handwashing Day, and we believe it is the social responsibility of Safeguard to help children have a healthy future. Safeguard promotes the correct hand-washing habits to Chinese families through an annual Global Handwashing Day campaign. So far, Safeguard has carried out the school health educational program nationwide, providing hygiene educational courses in 25 provinces for more than 22 million primary school students.

Safeguard provided hygiene education courses in 25 provinces of China for more than 22 million students.



Brand Programs



P&G Pampers Preemie Size P-3 diapers help premature infants in their development.



Pampers Preemies

Pampers has been dedicated to the happy, healthy development of babies since our very first diaper more than 50 years ago. When nurses asked us to design a diaper for babies as tiny as 800 grams, the people at Pampers were inspired to create our best diaper yet for the most vulnerable babies. Other available premature diapers do not conform to a premature baby's shape and proper positioning for optimal development. New Pampers Preemie Size P-3 diapers are designed to minimize disruption to help with sleep, positioning and medical care for premature infants.

Pampers in Argentina was recognized on Preemie Day for supporting pregnant and new moms with the Pampers Newborn national program in more than 200 hospitals.

In South Africa we donated more than 1,408,000 preemie diapers to public hospitals and trusts that care for premature babies.

Pampers UNICEF

Pampers has partnered with UNICEF since 2006 and, through the "1 pack = 1 life-saving vaccine" program, Pampers has helped UNICEF eliminate maternal and newborn tetanus (MNT) in 24 countries. Nearly 53 million women are still at risk from this fatal but preventable disease. Our goal is to work with UNICEF in their efforts to eliminate MNT in EVERY country by 2020.

Dawn Ducks

This year, Dawn marked the 40th anniversary of its legacy wildlife campaign by hosting a ground-breaking celebration to spotlight and honor the impressive number of birds and marine mammals the brand has helped wildlife organizations save, protect and rehabilitate throughout the past four decades. To celebrate helping save wildlife, Dawn, wildlife activist and actress Kate Mara, wildlife veterinarian Dr. Evan Antin, International Bird Rescue and The Marine Mammal Center rescue workers shared the magnitude of helping clean and rehabilitate more than 75,000 birds. In addition, because of Dawn's concentrated product, less plastic is used in packaging and more can be shipped in less space, reducing greenhouse gas emissions.

Latin America

Children's Safe Drinking Water

P&G Children's Safe Drinking Water (CSDW) Program continues to make a meaningful difference by providing clean water to communities in rural areas and during emergency situations in Latin America. When families are forced to drink water from contaminated sources, the impact to daily life is significant. Health suffers, children miss school and families struggle to earn stable incomes. Working with more than 20 regional partners in Mexico, Brazil, Panama, Costa Rica, Venezuela, Colombia, Peru, Chile and Argentina, among other countries, we are contributing to the worldwide effort to achieve UN Sustainable Development Goal #6—clean water and sanitation for all.



Coming Together After Mexican Earthquakes

On September 7 and 19, 2017, Mexico was struck by two earthquakes affecting six states in the country. The Mexico earthquakes damaged more than 170,000 homes from which almost 60,000 were devastated. P&G partnered with CADENA, United Way Mexico and Red Cross to support families in Mexico City, Estado de México, Morelos, Puebla, Oaxaca, Guerrero and Veracruz. Our brands made a difference when they were needed the most. We provided thousands of personal care family kits and Children Safe Drinking Water kits assembled by P&G volunteers. We delivered around $450,000 in in-kind donations, the equivalent to six 53-foot-long trailer trucks! All our sites opened their doors to become collection centers for tools, medical supplies, food and clothes, delivering more than three tons of supplies. For the first time in Mexico, we activated the laundromat, offering to share the load with our volunteers. For two weekends, we washed 350 loads of clothes for families living in camps and shelters with support from 68 volunteers.

Children's Safe Drinking Water Kits

On June 15, employees from the Milenio Shave Care Plant assembled 1,675 Children Safe Drinking Water kits in one hour—record time—thanks to the participation of 129 passionate volunteers.





We provided thousands of personal care family kits and Children's Safe Drinking Water kits assembled by P&G volunteers in response to two earthquakes in Mexico.



Latin America





Born Learning

One out of every five children in Latin America lives in extreme poverty. Physical inactivity, poor diet and the lack of good oral health habits have become major risk factors for the health of school-age children. The best prevention is the one that begins in early childhood and can help mitigate the adverse impact of toxic stress during this phase.

The Born Learning Program, a United Way initiative supported by P&G, benefited approximately 40,000 children in vulnerable situations in Latin America during 2017. The platform aims to promote physical, social, emotional and cognitive development of children under six years old. The program has a Healthy Environments model which aims to help children grow up in healthy and safe environments, promotes self-care habits, empowers children in safe-care and connects parents to nutrition and health prevention services.

The Healthy Environments model has been implemented in nearly 500 early child education centers in seven countries in Latin America, enhancing knowledge and training for 700 teachers. In the last three years, P&G has contributed to improving the development of about 270,000 children, training 15,000 educators and raising awareness about the importance of early childhood care for more than 67,000 parents and caregivers.

The Healthy Environments model has been implemented in nearly 500 early child education centers.

The Born Learning program is executed in Costa Rica through a public-private partnership between P&G, the Ministry of Health, United Way and Paniamor.

In October 2017, the module was formally delivered to the Ministry of Health for its institutionalization and execution in public daycares called CEN-CINAI.

Latin America



Helping in Puerto Rico

In the aftermath of Hurricane Maria, rebuilding efforts required contributions from many. With help from the P&G Global Fund and local funds, we were able to donate $80,000 to Habitat for Humanity in Puerto Rico to help build homes with those impacted. To keep the team spirit alive, the Ace detergent program—Tu Equipo Brilla—donated new uniforms to several sports teams on the Island. And we also contributed to the local foodbank—Banco de Alimentos de Puerto Rico—with product donations.

Employee volunteer work, led by our Culture Network, is planning volunteering activities throughout the year to continue helping Puerto Rico.

Guatemala Volcanic Eruption

Guatemala's most violent volcanic eruption in more than a century happened on June 3rd. The Fuego Volcano in Guatemala explosion affected more than 1,714,000 people, and more than 12,000 people had to evacuate.

P&G, in alliance with United Way Guatemala, helped 3,615 people by delivering P&G products and P&G Purifier of Water packets to shelters.

United Way
Fondo Unido de Guatemala



Ace

The Ace detergent program donated new uniforms to sports teams on the island.

Europe

Delivering the Comforts of Home

In June, we launched a new series of short films as part of a new UK campaign to showcase our 16-year partnership with In Kind Direct, the UK's leading charity in product redistribution. Our #ComfortsofHome campaign explored the key role having access to everyday essentials plays for charities across the UK The films showcase the role we played in providing quality branded products to help charities tackle hygiene and poverty and help provide dignity to those in need. Check out the video below.

IN KIND DIRECT SHORT FILMS

Our partnership also goes beyond products. P&G is a member of In Kind Direct Board and our employees have been involved in volunteering at charity beneficiaries as well as other fundraising events.

"Over the last 16 years donations of high quality, branded products from P&G to In Kind Direct have benefited thousands of UK charities and not for profit groups working at home and abroad. Our recent award is recognition for the outstanding support that P&G has provided and reflects the positive impact that the partnership has had, and continues to have, in disadvantaged communities around the UK and overseas."

– Robin Boles LVO, CEO, In Kind Direct

Connecting Mums and Midwives to Say Thank You

Despite their vital role, one in three midwives admits they feel underappreciated and undervalued. We found that while the majority of UK mums agree that it is important to thank midwives, just over half (58%) actually do. Pampers therefore rallied parents across the UK to encourage them to say #ThankYouMidwife. For every #ThankYouMidwife shared on social media, the campaign donated £1 to the Benevolent Fund of the Royal College of Midwives. Pampers also helped renovate midwives staff rooms in 10 hospitals as another way to say thank you for the work they do. See the results of Pampers #ThankYouMidwife Makeover at Princess Anne Hospital.

PRINCESS ANNE HOSPITAL'S MAKEOVER

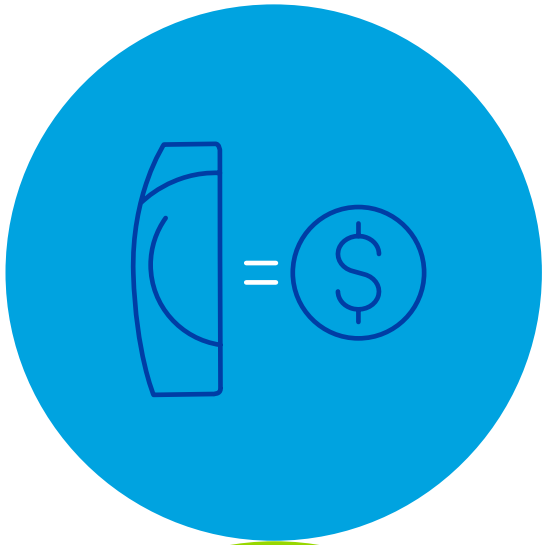
THE ROYAL COLLEGE OF MIDWIVES



Pampers

For every #ThankYouMidwife shared on social media, the campaign donated £1 to the Benevolent Fund of the Royal College of Midwives.

Europe



We partnered with three leading retailers through a one product = one donation campaign, raising more than $442,000.

Partnerships with Purpose

Across the UK, we have partnered with three leading retailers in communities throughout the country. Together we have raised more than $442,000.

Supporting the UK Armed Forces, Past and Present, and Their Families
To support the thousands of families that help make up the 6.7 million people in the UK's Armed Forces community, we partnered with The Royal British Legion and Poppyscotland to launch our "Help us, Help them" campaign exclusively at Sainsbury's. When consumers purchased P&G health and beauty products during October and November, they triggered a donation to the charities. We enlisted UK TV presenter Helen Skelton to share the campaign and encouraged families across the country to get involved and #HelpUsHelpThem. Together, we raised $115,000.

Feeling Super for Marie Curie
P&G and Superdrug have partnered since 2015 to support the retailer's corporate charity partner, Marie Curie, through a one product = one donation campaign. Fronted by long-term ambassador and celebrity mum of two, Frankie Bridge, our #FeelSuper campaign has raised more than $632,000 for Marie Curie to date. This is equal to more than 25,000 hours of expert care and support from Marie Curie.

Supporting Cancer Research with Tesco
Cancer Research UK is one of Tesco's three charity partners. 2018 was the second year P&G has partnered with Tesco to support the charity through a one pack = one donation program across all beauty, baby and toiletries products. This year, we raised $155,000.

P&G Volunteers Help Change Lives

P&G expanded its partnership with Habitat for Humanity in the UK and are volunteering to help refurbish a refuge in London, creating a safe environment for women and their children to escape abusive relationships.

Lifetime Dental Habit Change

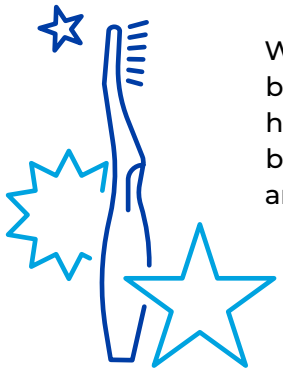
Kids usually don't like to brush, and when they do so, they sometimes don't do it well. This is probably the reason why, in Israel, many children reach third grade with cavities. In order to improve oral health, Oral-B in Israel has launched the Oral-B Brushing Kit: a subsidized power brush and an educational book targeting every three-year-old. The brushing recommendation is in collaboration with Israel Gums experts association. Within the first year, the program has reached 48% of three-year-olds in Israel.

The program is reapplied today in European countries such as Serbia, and in advance process of adaption in Turkey, the UK and Germany.

Europe

Educating and Helping Parents Develop Healthy Habits for their Kids and Improve their Oral Care

Oral-B is committed to helping young parents and children develop good dental habits for life. Oral-B has created an educational toolkit in association with the University of Leeds designed to help parents help their children establish healthy dental habits. It focuses on how to brush and make it fun, how friends and family can support parents and how healthy eating can protect teeth. The materials are for dental professionals and designed to support their conversations with parents of young children. In 2018, already 2,000 kits have been provided to dental professionals, enabling 80,000 conversations.



We're helping make brushing and eating healthy and fun for both young parents and their children.

Coming Together in the Community

Across Northern Europe, our employees are making a difference in the communities where they live and work through P&G's ongoing 'Community Matters' program. All our sites have dedicated community programs supporting local charities where people can help fundraise and volunteer.

Our Cobalt site, together with our Newcastle Innovation Centre, partners with The Community Foundation in Tyne & Wear and Northumberland. Since the fund started in 1995, we've been able to secure more than $1 million worth of donations for 500 local charities and grassroots projects.

France Solidarity Day

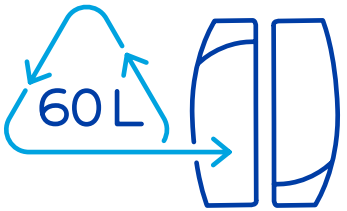
Our P&G offices celebrated their ninth French Solidarity Day with a focus on our new 2030 environmental goals. Approximately 80 multifunctional participants trekked two hours from the general office to the seaside at the Conservatoire du littoral.

The Solidarity Day focused on advancing four partnerships: Conservatoire du littoral/Coast Protection, the public body under the Ministry of Ecology that our P&G France Foundation for the Seashore Protection has supported since 1992; Gestes Propres, Clean Europe member and P&G France partner since 1991; TerraCycle, our Head & Shoulders beach plastic bottles partner; and SOS Villages d'Enfants, a local children's home we have supported since 2014. Twenty children from four French SOS Villages d'Enfants joined us.

"All in to act for the planet" was the theme for the day with two goals—collect litter from the beach alongside Gestes Propres and TerraCycle (to be used in the production of Head & Shoulders beach bottles) and help reopen a natural site that belongs to Conservatoire du littoral by clearing wetland shrubs and non-native species.

SOS Villages d'Enfants also participated. P&G employees helped the children build insect hotels, which they proudly brought back to their SOS villages. This event helped raise awareness and answer questions about the SOS Villages d'Enfants and how P&G actions positively support the SOS Villages.

As a result, 900 liters of non-recyclable waste was removed, 480 liters of recycled waste was collected, 60 liters of rigid plastic was put back into the Head & Shoulders bottle production line, eight insect hotels were built and 80 employees gave back to their community.



We collected 60 liters of rigid plastic that was then put back into our Head & Shoulders product line.

Europe

P&G Turkey received Red Crescent Platinum Award

This year, we donated more than $477,000 worth of P&G products to the Turkish Red Crescent. For our continuous donation efforts, we were awarded two gold medals from the Turkish Red Crescent last year, and this year we received a platinum award presented by Turkish President Recep Tayyip Erdogan.

We received one platinum award and two gold medals for our work with the Turkish Red Crescent.

P&G Belgium helps people in need through product donation

We have been supporting Goods-to-Give, a Belgian NGO collecting surpluses of non-food stock, since 2013. We have donated almost one million P&G products, reaching more than 116,000 people in need through 134 social organizations. To give our collaboration an extra boost, we also assembled 5,000 Mother Day's gift and "hygiene" boxes for mums in need.

Belgian employees give back during their Solidarity day

Employees gave back to the community by helping an entire day at different social organizations and NGOs in Belgium. Activities included preparing a home-made meal for the homeless in Brussels, giving the elderly an active and fun day and wrapping birthday gifts for children and mums. Since our first solidarity day in 2016, we have made a difference for more than 5,000 people, including homeless, elderly people, refugees, children in need and children with disabilities.

Belgian employees help Mariam's wish come true

Mariam, facing a serious illness, had one wish—to be CEO of a big company for a day. On May 24, she took over the role of CEO at the P&G Brussels Innovation Center where she started the day with a meeting, followed by a visit to the perfume lab. Mariam learned how perfumes are made and even developed her own personalized Lenor bottle and fragrance. And thanks to charity events organized by our employees, we raised money to make three more wishes come true via Make-A-Wish.





Lenor

P&G Brussels Innovation Center gave Miriam her wish—to be CEO of a big company for a day.

Europe





Ausonia has partnered with the Spanish Association Against Cancer for more than 10 years.

Pampers Donated 5,000 Newborn Starter Kits to Young Families and Mothers

In Austria, 24% of children ages 0–5 and 22% of women live in poverty. Pampers already partnered with Caritas (#1 charity organization fighting poverty in Austria) to support low-income families, donating two trucks of diapers worth $80,000. We know that young, low-income families require more holistic support so we partnered with Caritas & BIPA (#1 drugstore in Austria) to set-up a donation campaign for Newborn Starter Kits. As part of the starter kits, families are not only provided with diapers, baby clothes and baby food but also receive counseling and support. Consumers supported the campaign via the purchase of Pampers diapers, donating $0.57 for starter kits with every pack purchased. The progress was communicated in near real-time via a donation counter on the website as well as on the cash receipts, showing the individual contribution of the shopper. We reached our goal of 5,000 Starter Kits within one month, and the program has become part of one of Caritas' ongoing campaigns to raise awareness for young families. The campaign is supported by many public figures including Austria's first lady.



We created 5,000 Starter Kits for young families and young mothers that also included counseling and support.

Spanish Red Cross

Health and hygiene are core to our business but are also critical for those who need it the most. Oral-B partnered with the Red Cross in Spain to enable families and children in need to have access to proper oral health care, improving their overall present and future well-being. In just the first year, the effort benefited nearly 200 children and more than 100 families.

Doubling Efforts Against Breast Cancer

Ausonia has partnered with the Spanish Association Against Cancer (AECC) for more than 10 years to increase the awareness and financial investment to strengthen the battle against breast cancer. This disease affects one out of every eight women in Spain. Thanks to the overall investment in research, social awareness and early diagnosis, Spain has increased its survival rates by 1.4% and chances of survival five years from diagnosis is now 83%—15% better than 20 years ago. Ausonia's commitment to women was recognized by Her Majesty the Queen of Spain, Doña Letizia.

We are also an active member of STANPA (National Cosmetic and Perfumery Industry association) and a supporter of its program "Ponte Guapa, te Sentirás Mejor" ("Beauty will help you feel good"), which helps women fight breast cancer by strengthening their self-esteem through beauty. Every year, Olay products are part of the beauty kit distributed by the program to women in 28 hospitals across Spain during the program's beauty workshops to cancer patients.

Europe

Creating Homes for Children

In Spain, P&G has partnered with Aldeas Infantiles SOS (SOS Villages) for more than 10 years to provide the comforts of a home to children in need. This year, in addition to the ongoing Company and employees' donations to improve their homes, P&G volunteers visited the villages to create awareness among the children and their families on the importance of a proper oral hygiene and training on how to improve it.

SOS CHILDREN'S VILLAGES

A Click Against School Drop Out

We partnered with Save the Children and Amazon in Spain and Italy to fight against school dropout and the consequences of such action. Spain has the second largest dropout rates in the European Union and data confirms that the majority of the poorest children in the country have abandoned their education at an early stage. Italy is facing a similar situation. Thanks to the Save the Children partnership and to the engagement from consumers, Save the Children educational support program is being strengthened, benefiting children with more than 26,000 hours of education across both countries.

Making People Smile

Supporting and educating the professional dental community is one of our commitments to communities. Through www.dentalcare.co.uk, a P&G-supported portal, we offer the dental professional community scientific studies, exchange and education courses providing them opportunities to stay abreast of key research and educate their patients on oral health conditions, dental procedures and proper oral hygiene techniques.

Approximately ten percent of families in Germany with children have incomes that lie below the poverty line. Oral-B is committed to making a positive contribution to these underserved communities through volunteer contributions and collaborating with key partners like RTL, a German TV station, and its annual Spenden-marathon, which is a fundraiser that raises money for children in need.

DENTALCARE.COM

Habitat for Humanity – Working Together to Build Homes

Leveraging a corporate grant, employees in Hungary and Poland donated more than 500 working hours to renovate a rental apartment, a facility for those with intellectual disabilities and apartments for those in need. Not only does this give back to the community, but employees feel a sense of pride being able to help their neighbors.

Sharing a Smile in Italy

Families of children affected by rare genetic diseases now have more hope thanks to Telethon's research. AZ Ricerca and Vanessa Incontrada have decided to support Telethon's efforts in by encouraging Italian people to donate smiles to children affected by rare genetic diseases and to their families. Every smile is converted into a donation to Telethon. This year, Oral-B supported the charity campaign via an in-store campaign and as social activation, donating more than $170,000.



P&G Italy supported the Donate A Smile campaign with an in-store promotion, donating more than $170,000.

Asia Pacific

Helping in Vietnam

P&G Vietnam continues to provide strong support to the most unprivileged communities across the country through several programs. The Children's Safe Drinking Water Program in Vietnam is done in partnership with the Vietnam Red Cross, and we have a three-year agreement focusing on the six disaster-prone provinces of Vietnam. We provided nine million water-purifying packets, equivalent to 90 million liters of clean water, impacting the lives of 200,000 households. On World Water Day, our celebration coincided with an event in An Gian province with representation from the Ministry of Health, local authorities, Red Cross and also media to raise awareness and educate about the importance of clean water for the health of the community. This included training at a primary school on how to use the water-purifying packets.

P&G CSDW is partnering with Vietnam Red Cross to bring clean water to six disaster-prone provinces in Vietnam.

Supporting an Australian Foodbank

We donated 21,500 cases to an Australian foodbank this year to help those suffering the effects of natural disaster or financial hardship.

P&G Builds Communities with Habitat for Humanity

We continued our long-term partnership with Habitat for Humanity with multiple volunteer events across Asia Pacific:

Indonesia
72 P&G volunteers built six houses just in time with six families celebrating Ramadan.

Singapore
63 P&G volunteers cleaned houses with the elderly and rejuvenated community spaces in an island-wide movement, "Home Sweep Home".

Australia
5 P&G volunteers flew to Northern Vietnam to help build homes and raised more than $16,000 for other families to be able to get decent housing.

Philippines
P&G employees and summer interns helped build Bistekville 5, a Habitat village, which has more than 200 families.

P&G volunteers, employees, and interns helped construct or clean homes and raise money to help families get housing.





Asia Pacific



P&G APAC's Beyond Borders Skills-Based Volunteering Program helps non-profit organizations go beyond donating money to sharing knowledge.

Skills-Based Volunteering Helps NGOs Help Others

Since 2013, P&G Asia Pacific's Beyond Borders Skills-Based Volunteering Program has helped non-profit organizations overcome their biggest challenges by having P&G employees share their expertise for free. This Skills-Based Volunteering Program redefines how corporations like P&G can go beyond donating money to sharing knowledge.

P&G in the Asia Pacific region is a pioneer in the industry, offering skills-based volunteering opportunities including P&G Pro-Bono School (a half-day boot camp for non-profits), Consultation Project (small group sessions between P&G volunteers and one non-profit over four months), Sabbatical with UNICEF (full-time work project with UNICEF for three months), and Board Matching Program (P&G Senior Leaders being appointed to the Advisory Board of influential non-profit organizations). The program's breadth and flexibility make it not only easy to get involved, but also more meaningful to employees. This Skills-Based Volunteering Program has become a beacon for employees, inspiring them to make a difference in society by leveraging what they are best at! This year alone, more than 150 P&G employees volunteered their time and expertise to provide free consultation to more than 30 non-profit organizations.

This program was recognized externally, receiving American Chamber of Commerce in Singapore CARES Award—for the third year in a row.



Bangkok Plant Giving Back to Society

Our Bangkok Plant Giving Back to Society program aims to help the local community by focusing on two schools, two child development centers, one hospital, two foundations and one community group by helping to provide these organizations with clean clothes.

P&G Korea Committed to a Better Today for Better Life

P&G Korea made an Memorandum of Understanding with Seoul's Children's Hospital to create resting lounges, a kids' library, and baby feeding rooms at the hospital. This hospital specializes in helping children who suffer from rare diseases or developmental delays. We are working to help make a better day and a better life for families during their stay at this hospital.





P&G China began a three-year corporate social responsibility plan, which included P&G Hope School students given more access to the National Centre for Performing Arts.

Greater China

Hope School Students on China's Most Prestigious Stage

P&G China, China Youth Development Foundation (CYDF) and the National Centre for Performing Arts (NCPA), the most prestigious national theatre in China, announced a three-year corporate social responsibility plan. P&G and CYDF will co-sponsor NCPA's annual International Children's Drama Season from 2018 to 2020. In return, the NCPA will include more P&G Hope School students in the Children's Drama Season productions. This program is the first of its kind in China to use the arts to engage and empower kids in need.

During the first year, 28 children from one of P&G Hope Schools performed on the stage of NCPA. A sellout audience of 800 enjoyed the performance, which also commemorated P&G China's 30th anniversary.

To extend the art outreach, P&G China also started three-year "drama in education" teachers' training, equipping rural teachers with this innovative approach to teaching children how to express their abilities, imagination and creativity.

Smile Fund

This year, Crest and the China Youth Development Foundation established the Smile Fund, aiming to bring oral care education to the children in rural areas. From December to May, we went to 10 Hope Schools in six provinces which helped more than 3,300 children to smile brighter. In the coming year, the "Smile Fund" will be implemented in more Hope Schools, helping to spread smiles.



10 Hope Schools, reaching more than 3,300 children, were taught about oral care.

Greater China

20 Years of Hygiene Education

The P&G China school program was launched in 1997 to help Chinese children and young girls develop hygiene habits early in life so they can grow up healthy and happy. It consists of handwashing, dental hygiene and menstrual education classes. To date, the program has provided nearly 250 million health education toolkits, benefiting 145 million children from more than 20,000 primary and middle schools across 200 cities in China.

As our China school program moves into its 21st year, our mission is moving beyond the material needs of the students to their health, spiritual, social and cultural needs, as well as addressing the shortage of quality teachers and the growing issues of rural “left-behind” children whose parents are forced to leave their families and work in the city to earn a living.



Since 1997, P&G has provided 250 million health education toolkits across 200 cities in China.

Pampers Helping the Most Vulnerable Babies

Pampers partnered with neonatal intensive care unit (NICU) nurses to specially design smaller diapers for premature babies. Pampers has donated 400,000 diapers to 17 hospitals in China thus far, helping more than 1,000 premature babies while they are treated in the NICU. In June 2018, we launched the Preemie video of “Long Awaited First Touch” to call public attention to premature babies and their families. The video generated three million views in just two days.



Pampers has donated 400,000 diapers to 17 hospitals in China.

PREEMIE CHINA VIDEO





India, Middle East and Africa



P&G Shiksha in partnership with Education Initiatives and the Government of Rajasthan implemented a computer-based learning program, Mindspark, that improved learning levels two-fold compared to the control group.

P&G Shiksha

P&G India's signature community impact program, P&G Shiksha, in partnership with NGOs, has built and supported approximately 1,800 schools across the country, which is an increase of more than 300 since last year, helping more than 1.4 million children.

Since 2005, P&G Shiksha has empowered consumers to help contribute towards the education of under-privileged children through their brand choices. We share a part of the sales towards Shiksha, resulting in a cumulative donation of more than $10 million for building new schools, providing critical infrastructural amenities at existing schools and reviving non-operational government schools. During the year, Save the Children, in partnership with P&G Shiksha, has continued to empower marginalized girls through holistic education.

P&G Shiksha has donated more than $10 million towards education of the underprivileged.

A key area of our intervention is Remedial Learning and Early Childhood Education. We have partnered with Pratham Education Foundation to improve the learning outcomes and bridge the existing gap between current and existing learning levels. The results were phenomenal; we reached out to more than 670 schools and more than 24,000 children and saw the learning levels in the schools rise at the end of the year following our interventions. Before the intervention, only 20% of children in these schools were able to read and write as per their curriculum level—after our invention, this increased to 70%! Similarly, there was more than a two-fold increase in the percentage of children who were able to do basic arithmetic after our intervention. We also identified "Early Childhood Education" as a key opportunity area in the educational landscape of the country. We focus on improving the motor, cognitive, social-emotional, pre-language and pre-math skills in children before they enter the first grade.

Two years ago, P&G Shiksha forayed into impacting learning levels via digital learning. P&G entered into a partnership with Education Initiatives (EI) and the Government of Rajasthan to implement Mindspark, a computer-based adaptive learning solution that integrates pedagogy, teacher instruction and a learning management system to help students learn mathematics and English. The tool analyzes the learning levels of the students in language and mathematics by presenting them with questions in increasing level of difficulty. On answering incorrectly, the student is provided a simple or detailed explanation, or is redirected to questions that strengthen the basic understanding. The program was implemented in 30 government schools in Rajasthan where more than 6,700 students spent more than 10,000 hours learning using Mindspark. Post intervention, the learning levels among students using Mindspark improved two-fold compared to the control group.
The tool also provides teachers with information on the progress and learning levels of students which is used for effective classroom management and instruction.

India, Middle East and Africa

P&G Oral Care is Committed to Improving Oral Hygiene in Rural Kenya

P&G's Oral Care Professional organization teamed up with the University of Michigan to work on a joint initiative that would help improve oral hygiene practices among children in rural Kenya. Fewer than 1,000 dentists serve the 44 million population of Kenya, from the far reaches of the bush to the vast expanses of the country's capital Nairobi. Dental hygiene is a rarity outside privileged urban regions. Tooth decay is the most common chronic disease of childhood. Oral hygiene was taught to more than 1,000 children aged 4-9 years, as well as their teachers. In total, the team treated more than 740 children and addressed more than 1,600 cavities. For many of the children, this was their first engagement with a dentist.

CSDW in Pakistan

P&G announced Year 4 of its partnership with METRO Cash & Carry and Health Oriented Preventive Education (HOPE) via the P&G Children's Safe Drinking Water Program to disaster-struck communities in Pakistan. Through this program, we have provided 11 million liters of clean drinking water during the year, benefiting around 50,000 people across Pakistan. It also made available more than four million liters of clean drinking water to families in Karachi during the summer.

P&G and HOPE

P&G's partnership with Health Oriented Preventive Education (HOPE) and READ Foundation has provided quality education to more than 2,500 underprivileged children in Karachi, Thatta, Islamabad and Muzaffarabad this year. Girls constitute around 55% of the students at the P&G-HOPE and P&G-READ Foundation schools.

HOPE Health Oriented Preventive Education

read foundation





The P&G Oral Care Professional team taught oral hygiene and treated 740 children and more than 1,600 dental cavities.

India, Middle East and Africa

Funfest Pakistan

Employees continue to spend time with children at the SOS Village in Karachi, giving them a sense of belonging. This year, more than 50 P&G employees endeavored to spread cheer and happiness by creating a memorable day for around 145 children through the highly anticipated P&G Funfest event.

Caring for Our Newest Members of Society

The first 1,000 days of life—between a woman's pregnancy and her child's second birthday—is a unique window of opportunity. The right nutrition and care influences not only whether the child will survive, but also his or her ability to grow, learn and rise out of poverty. Pampers, UNICEF South Africa and retailer Pick 'n Pay partnered to raise funds to enable hospitals and communities to provide the best care for the newest members of society, laying the foundation for a brighter future.

Ramadan "Sharing Fridge" Supports Low-Income Workers in Dubai

As a goodwill gesture to the local community during the Islamic month of Ramadan (May and June), a group of employees in the Dubai office set up the Company's first "Sharing Fridge." The Sharing Fridge's campaign gives low-income workers—many of whom are both fasting and working in temperatures exceeding 35 degrees Celsius (95°F)—access to free food and drinks during the month.



Employees stocked the fridge with drinks, packaged foods and fruits to support low-income workers.

Started in 2016, the concept of the Ramadan Sharing Fridges gained traction online, and people across Dubai in the United Arab Emirates began to set up and stock fridges placed throughout the city. Funded by the Arabian Peninsula selling and marketing organization, the first-ever P&G Sharing Fridge was placed in an industrial area near the Dubai General Office, and it became a cause the whole office supported. Employee teams chose days on which they'd stock the fridge with drinks such as juices, soda and milk, along with packaged foods and fruits.

"Ramadan is a time of gifting and charity, and through the Sharing Fridge, we've been able to give back to the local community around the office in a way that is both sustainable and engages every P&Ger here."

– Omer Awan, Associate Director, Supply Chain Operations for the Arabian Peninsula & Pakistan

Providing Books to Those in Need

P&G in the Arabian Peninsula has continued its partnership with the Abu Dhabi-headquartered LuLu Hypermarket and Dubai-based charity Dubai Cares to provide books for thousands of children in the Middle East region. Supported by the Mohammed Bin Rashid Global Centre for Endowment Consultancy, the 'Brands for Education' campaign has been running for two years and has raised more than $75,000 for books through an in-kind donation from P&G for every consumer purchase from LuLu Hypermarkets during the campaign.

P&G Partners With Injaz Saudi to Promote Work Readiness

In the Arabian Peninsula, we partnered with Injaz Saudi, the local affiliate of Junior Achievement Worldwide, on a product designed to promote work readiness among young Saudis and prepare them for careers in the private sector. The Steer Your Career project focuses on helping young Saudi nationals learn skills so that they're able to enter the work force in the private sector. Over the past six months, P&G, Injaz and a number of P&Gers from the Company's Jeddah operations have given training to almost 500 Saudi students in a number of universities in Jeddah, Madinah and Riyadh in the areas of time management, verbal and written communications, interview techniques, problem solving, team work, developing a career path and leadership development.

North America

United Way

In 1915, P&G helped establish the Cincinnati Community Chest, which today is known as the United Way of Greater Cincinnati. United Way brings people and organizations together to create real change for the city. With the help of more than 90,000 supporters, United Way of Greater Cincinnati has impacted the lives of 365,000 people a year, in 10 counties across Ohio, Indiana and Kentucky. The annual P&G United Way campaign provides support to reach bold goals like ensuring children are prepared for kindergarten, helping families achieve financial stability and ensuring people lead healthy, quality lives with maximum independence. This year, P&G employees, shareholders and retirees donated $9.7 million to the United Way of Greater Cincinnati's annual campaign.



Cincinnati Music Festival

P&G proudly returned as presenting sponsor for the Cincinnati Music Festival (CMF) for the fourth consecutive year. As one of the largest urban music festivals in the country, we see CMF as an opportunity to bring people together through the power of music and a strong spirit of inclusion and community understanding. The festival allows us to connect with tens of thousands of music fans from around the country and ignites a critical conversation that promotes economic, social and cultural development in Cincinnati and beyond. Our brands hold a visible and dynamic presence with immersive experiences like the Old Spice and Head & Shoulders Kickback Man Cave and the Goddess Patio Spa, to treat guests to a one-of-a-kind weekend that #FeelsLikeCMF. Beyond the music, P&G's My Black is Beautiful partnered with the National Underground Railroad Freedom Center and the Greater Cincinnati Association of Black Journalists to host an open discussion and event, "Navigating Barriers and Possibilities." To increase national exposure of the event, we partnered with the Oprah Winfrey Network for the first time ever. OWN provided their network audience with an all-access pass to the fest's hottest musical acts and our brand experiences were highlighted in videos surrounding the release of OWN's new TV show, "Love Is," which aired in August.

P&G partnered with the Oprah Winfrey Network for the first time ever to increase national exposure.

Feeding America

It's a startling fact that in America today 40 million people face food insecurity—including 12.5 million children and five million seniors. Feeding America® is the nation's largest domestic hunger-relief organization and works to assist people facing hunger through their network of 200 foodbanks. As a long-standing partner, P&G has been playing a role in helping Feeding America's mission by donating everyday household essentials and personal care products from brands such as Charmin, Dawn, Oral-B, Pampers, Pantene and Secret which are distributed through a network of 200 foodbanks and 60,000 food pantries and meal programs. For the past several years, P&G has helped to support School Pantry programs for kids. In the U.S., Always teamed up with Feeding America on a campaign aimed at helping to #EndPeriodPoverty by sparking conversations and taking action by donating 15 million period products to girls in need this school year.

always

This year, Always partnered with Feeding America to bring 15 million period products to girls in need.

North America

Habitat for Humanity

P&G teams volunteer to help build decent and affordable homes in the headquarter city of Cincinnati. The Vecindades Team volunteered to help build a home in the suburb of Lockland.

Park and River Clean-Up

On September 20, more than 300 P&G Canada employees participated in our first-ever P&G Gives Back Park & River Clean-Up. In total, we collected 531 kg (1,170 lbs) of garbage, including four pounds of cigarette butts! This event kicked off our annual P&G Gives Back employee canvassing campaign where all employee donations are matched by P&G to the United Way.



P&G Gives Back campaign collected 531kg (1,170 lbs) of garbage.

Always Donates Product to Help #EndPeriodPoverty

On June 25, 2018, Always reaffirmed ongoing efforts to empower girls and women through product donations to organizations supporting asylum seekers, as well as to colleges, in the Toronto area. Volunteers packed 2,000 P&G personal hygiene kits consisting of Always pads, Crest toothpaste, Oral-B toothbrush, Pantene shampoo and conditioner, Secret antiperspirant and Ivory soap. These kits were donated to local organizations supporting asylum seekers and refugees. In addition, Always donated 20,000 pads to local college campuses in support of their efforts to increase access to period protection for students.



Volunteers packed 2,000 personal hygiene kits for supporting asylum seekers and refugees.





Employee Well-Being

Employees have access to Vibrant Living health coaches and champions to get the support and resources they need.

P&G Vibrant Living

Vibrant Living is P&G's global health and well-being program. Our Vibrant Living vision is "Enable peak performance by inspiring meaningful, happy, healthy lives" and is supported by three pillars:

"Meaningful" Heart — Feeling proud to be part of P&G and connecting with others, at home, at work and in the community, who share similar interests and passion to bring out our best.

"Happy" Mind — Enriching our overall well-being, building resilience and strengthening relationships to enjoy the best in life.

"Healthy" Body — Optimizing our physical strength and energy to meet everyday challenges and enjoy an active lifestyle. That's the core of Vibrant Living.

Vibrant Living
Make every day a healthy day

Vibrant Living provides employees a family of offerings in the areas of fitness, nutrition, mental and emotional resilience, health education and training, and hands-on activities and events to aid personal fulfillment and peak performance. Many of our Vibrant Living programs are available to family members and through the "Meaningful" Heart pillar. Vibrant Living extends to the communities where we work and live.

Positive P&G Employee Survey Trends

This year, 82% of employees participated in Vibrant Living events, activities and programs. For the seventh year in a row, we have seen a positive impact from Vibrant Living on our Personal Well-Being index.

Global Vibrant Living Awareness Day

2018 was a milestone year for Global Vibrant Living Awareness Day. On this five-year anniversary, 93% of sites around the world participated in "Let's Celebrate the Journey." The intent of Global Vibrant Living Awareness Day is to remind employees of all the Vibrant Living programs available and, this year specifically, to encourage employees to celebrate the small steps on our health and well-being journey and to connect with others who are on a similar path.

A Workplace Culture of Health and Well-Being

- We have 119 certified Vibrant Living sites that support the health and well-being of our employees.
- With the help of 241 Vibrant Living health coaches and champions throughout the world, employees can connect to Vibrant Living resources they need most.
- Our global online wellness assessment is available to employees in more than 30 languages.
- We are continuing a progressive 10% utilization rate with our WorkLife Solutions Program, which reaches more than 90% of employees worldwide.

Employee Well-Being

Vibrant Living

Highlights from Sites Around the World

5K Walk/Run
The Cincinnati General Offices
700 employees from around the city participated in this Vibrant Living event.

Family Day 2018
Cabuyao Plant, Philippines
With their #StepUp2HelpOut step challenge employees and their families not only got healthier together, but with every 10,000 steps helped to feed a hungry child.

Information Stations
St. Petersburg Plant, Russia
Information Stations on the topics of Healthy Breakfast Choices, The Truth About Calories and Stress and Resilience were provided on all shifts.

Vibrant Living Revolution
Mumbai, Goa, Hyderabad and Mandideep Plants, India
Nearly 600 employees across four sites participated in a 12-week challenge to promote healthy behaviors. In addition to individual and team achievement, collectively all participants endeavored to Circle the Globe by the cumulative steps taken.

Morning Tea
Hong Kong
To lift spirits, employees had morning tea with elders in their community to share stories, play games, create memories, take photos and give P&G product gifts.

Meditation and Stretch Breaks
Sao Paolo General Office
To be more vibrant throughout the day, employees participated in meditation and stretch breaks.

Walking Trail
Greensboro Plant, United States
Employees celebrated the grand re-opening of their outdoor walking trail.

Celebrate Every Achievement
Materiales Plant, Peru
As part of Global Vibrant Living Awareness Day, employees were invited to note a change or achievement in their physical or mental health, allowing each one of them to notice that small changes can build healthy habits. Some highlights among them: “Spending more time with my children,” “Take dance classes” and “Eat breakfast.”





Employee Well-Being

Vibrant Living

P&G Mexico was granted the prestigious Workplace Wellness Council – Mexico award for the fifth year in a row for our Vibrant Living and Medical programs. This is the highest recognition for best practices in Health & Wellness.

Brazil was also recognized externally for their Vibrant Living programs and received a Wellness Award.

P&G Korea served in a momentous role with the 2018 Winter Olympics in PyeongChang. Torchbearers included P&G's Asia-Pacific Region President Magesvaran Suranjan (pictured below, right) and Hyunju Jeon (pictured below, left), a Product Supply employee who had won a P&G Korea walkathon competition. The walkathon challenge helped build anticipation surrounding the games and promote fitness through our Vibrant Living employee wellness program.

Running for good at the Geneva Marathon for UNICEF

Nearly 500 passionate P&G colleagues and families came together for a positive impact in the community and healthier living at the Geneva Marathon for UNICEF. Once again, it was a record participation level with P&G being the largest corporation represented. The most demanding, yet very rewarding, experience was running alongside disabled children in a joëllette (wheelchair). Every year, about 30 volunteers help kids from the Clair Bois Foundation experience this unique event.





Two P&G Korea representatives served as torchbearers in the 2018 Winter Olympics in PyeongChang.

Employee Well-Being

Global Medical

1. Save a Life
(Protect Our People)

2. Obey the Law
(Protect Company Reputation)

3. Protect Key Technologies
(Protect Brand Integrity)

4. Enhance Speed to Market
(Support Emerging Technologies and New Business Development)

5. Inspire Health and Wellness
(Vibrant Living, Travel Medicine Support, Global WorkLife Solutions and EAPs)

We touch and improve the lives of our employees with focused delivery of our five Global Medical priorities. The P&G Medical vision "Touching and Improving the Health and Well-Being of P&G People – Healthy People, Healthy Business" reflects the importance of the well-being, productivity and innovativeness of our employees. The P&G global Employee Health and Well-Being Standard ensures that we deliver:

- The same corporate Health and Well-Being requirements at all P&G locations consistently around the world, assuring that sites provide employees with the appropriate level of occupational health assurance programs and services.
- Comprehensive and effective emergency care for our employees, on-site contractors and visitors at all our facilities.
- Compliance with related laws and regulations and sharing this expectation with all of our business partners.
- A culture of health through quality health services and Vibrant Living offerings that support employees in protecting and promoting their health.
- WorkLife Solutions and Employee Assistance Programs (EAPs) to support employees and their families.

P&G Medical
Healthy People • Healthy Business

Our programs are making a difference. Our nearly 150 P&G Health Services/Vibrant Living Health Centers across 40 countries had nearly 305,000 employee visits in the past fiscal year. Based on employee feedback, 96% of visits surveyed received a favorable rating. On the 2018 P&G survey, employees who used health services/health centers or on-site health programs scored an average of five percentage points better on their personal well-being scores. Many of these employee visits are proactive, including use of preventive health services such as travel health consultations, seasonal influenza immunizations and personal health and wellness consultations. P&G survey results for the last seven years tell a remarkably consistent story of well-being improvement.

P&G Health Services/Vibrant Living Health Centers across 40 countries had nearly 305,000 employee visits.

Awards & Recognitions

P&G Community Impact initiatives have received significant recognition this year, including the following:

P&G Indonesia won two bronze awards for "Best Workplace Category" and "Female Empowerment/ Gender Equality Category" after competing with more than 200 companies across the region.

Our Skills-Based Volunteering Program was recognized externally, receiving American Chamber of Commerce in Singapore CARES Award—for the third year in a row.

P&G was No. 77 on Forbes' list of America's Best Employers.

P&G Latin America was named Best Regional Corporate Partner by United Way Latin America for its work and collaboration to the Born Learning Platform.

P&G China was awarded "2017 Best Partner of Project Hope" by China Youth Development Foundation for its continuous contribution to Project Hope.

P&G Panama was recognized by Panama Amcham (America Chamber of Commerce) for its work with CSDW. This is the highest award for sustainability programs in the country and is the first time P&G received this.

P&G Panama recognized as the 3rd Top Dream Company for young people to work in this country.

P&G Brazil was recognized as the #1 Company most respected by the consumers awarded by Grupo Padrão/ Consumidor Moderno in Brazil.

P&G Mexico was in #5 with best responsibility and corporate government by Merco study.

P&G Argentina was recognized by the National Government in the "Pink House" (Official House) by Social Development Minister for the CSDW Program in Argentina and our contribution to water issue in the country.

P&G China was awarded "2018 CSR China Top 100" by CSR China Education Award for its Project Hope children's drama program and P&G School Hygiene Program.

P&G Peru was recognized by the National Labor and Defense Ministry and by World Vision for our immediate reaction, solidarity and support during the emergency caused by "El Niño Costero" phenomenon.

P&G Colombia has been recognized external by the Bogota City Council for its community impacts and good practices in Social Responsibility.





Awards & Recognitions

P&G Costa Rica was in the Top 10 Best Companies with best responsibility and corporate government in Costa Rica by Merco ranking 2018.

P&G China was recognized as “Top 30 of the World’s Top 500 Company Contribution List in China” by Southern Weekly, one of the most authoritative newspaper in China, for its citizenship contributions to China.

P&G Turkey received Red Crescent Platinum Award for its ongoing product donations.

P&G China Project Hope Program was awarded “2017 Company Citizenship Excellence Award” by China Philanthropy Times, the first philanthropic newspaper under the supervision of Ministry of Civil Affairs.

P&G Latin America was recognized by National Geographic for the CSDW Program.

P&G Panama was recognized as “Great Local Corporate Partner” by United Way Panama for its work and collaboration to the Born Learning Platform and the seeding funds for Healthy Environments.

P&G China won several awards in the 7th China Charity Festival, the first festival named “charity” initiated by mass media. P&G China won “2017 Annual CSR Innovation Award” for its excellent company and brand citizenship programs. P&G Project Hope Program, P&G School Hygiene Program and Crest Smile Fund all won “Annual Charity Program Award.” Safeguard won “2017 Annual CSR Brand.”







Diversity & Inclusion

P&G is a company that believes in diversity and inclusion. With more than 140 nationalities represented in our workforce, our own diversity helps us reflect and win with the consumers we serve around the world. The more we understand people, their needs and challenges, the better we can delight them with our products and services. And while diversity is essential in all we do, we believe inclusion changes the game. Every day we strive to get the full value of our diversity through inclusion—fostering an environment where P&G people can be their best, full and authentic selves in the workplace. But our job doesn't end there—our belief and commitment extend beyond P&G's walls. We are driving action on the world stage to make a meaningful difference, and we care deeply about our impact, always striving to make the world a little bit better through our actions.

VIEW HIGHLIGHTS

VIEW MORE STORIES



HIGHLIGHTS

The Talk Sparks Dialogue and Earns Honors

Last year, P&G tackled head-on a real challenge the U.S. and other countries must address—racial inequality driven by racial bias. We decided to step up and use our voice to shine the light on racial bias, continuing our efforts to create a better world for everyone, with equal representation, equal voice and equal opportunity—regardless of background.

We created a two-minute film focused on "the talk" that many black parents in America have with their children about racial bias to prepare, protect and encourage them. Throughout the film, there are scenes of parents having a version of The Talk with their son or daughter in various situations and across different decades. These depictions of The Talk illustrate that, while times have changed, racial bias still exists.

Since it debuted in July 2017, the film has generated widespread conversations in social media, news forums and millions of views online. The Talk was featured as part of the storyline during an episode of black-ish, ABC's hit primetime sitcom and has racked up numerous awards including the 2018 Creative Arts Emmy award for Outstanding Commercial and 2018 Cannes Grand Prix Lion for Film Corporate Image.

READ MORE



HIGHLIGHTS

Documentary Profiles Courage and Leadership

In an era of increasing polarization and heightened concern for LGBT+ rights, The Words Matter: One Voice Can Make A Difference took on one of the most salient issues of our time and brought it to a worldwide audience. The Words Matter is more than just a corporate documentary—it's a refreshingly candid examination of P&G's own history and a lesson in leadership.

P&G commissioned the film in partnership with a production team at CNN's Great Big Story in celebration of the 25th anniversary of LGBT+ inclusion at the Company. Beyond the launch and distribution of the film, P&G wanted to continue to bolster societal dialogue about LGBT+ inclusion. Screening events and discussions were held in New York, London, Geneva, Cincinnati, Cannes, China, Panama and other locations across the world.

READ MORE



HIGHLIGHTS

Herbal Essences Designs a Sense of Touch

In 2019, P&G brand Herbal Essences will be making a small change that makes a big impact for people with visual impairments. Research shows that more than 69% of people have sight limitation or confusion, which means they have difficulty differentiating shampoo from conditioner while in the shower. Herbal Essences is taking small steps to ensure the brand is more available and inclusive to all consumers with the launch of the category's first "visual impairment aid" via raised indentations on each bottle.

Herbal Essences is making sure their products are inclusive for all consumers with a "visual impairment aid"—raised indentations that differentiate shampoo and conditioner.

READ MORE



HIGHLIGHTS

Flex@Work Evolves with the Times

In an era of single parenting, caring for aging parents, supporting a special needs child or navigating same-sex parenting, P&G sought to modernize our signature Flex@Work program to provide location and time flexibility for modern families. We recently introduced additional upgrades in our parental leave policies in many of our largest countries around the world with a clearer focus on career flexibility. Today, more than 75% of P&G employees report flexing. We have five years of data through our employee survey that shows that employees who flex report significantly higher scores in four important areas of engagement and work-life effectiveness: flexibility, job demands, energy and support.

READ MORE



HIGHLIGHTS

P&G Germany and REWE Build Inclusive Playgrounds

With the citizenship campaign “Piece of Happiness”, P&G Germany and key customer REWE have joined forces with the non-profit group Aktion Mensch to build inclusive playgrounds all over Germany within the next three years. We are teaming up with REWE, one of the biggest grocery chains in Germany, and Aktion Mensch, the largest social lottery in Germany. The first inclusive playground of the campaign has now been opened in Cologne. Children with and without disabilities now can jointly experience new adventures every day.

P&G is teaming up with a key retailer in Germany to build inclusive playgrounds for children with and without disabilities.

READ MORE



HIGHLIGHTS

P&G Latin America Hosts Regional LGBT+ Conference

The GABLE affinity group founded more than 20 years ago continues to grow and thrive around the world. This year, P&G Brazil hosted the first P&G Latin America GABLE Conference to bring awareness and consciousness of LGBT+ and diversity matters with a lens on business impact. The conference was attended by more than 70 P&Gers from 10 different countries including P&G Brazil's leadership team and more than 40 external guests from local business and academia.

READ MORE

Diversity & Inclusion

- Message from William P. Gipson ›
- Using Our Voice ›
- Making an Impact ›
- Changing the Culture ›
- Awards & Recognitions ›



Message from William P. Gipson

"P&G has an unwavering commitment to leveraging diversity and inclusion to innovate for growth across our business. When we build a more inclusive workplace and world, we can do a better job of delighting consumers with our products and brands.

Internally, we are continually working to improve our culture through policies, training and employee support systems to meet the needs of our changing workforce. We have eight company-sponsored affinity groups and are respectful of everyone—regardless of race, color, gender, age, national origin, religion, sexual orientation, gender identity, gender expression, marital status, disability, veteran status, HIV/AIDS status or any other legally protected factor.

And because the people of P&G will always be our most important asset, we celebrate teams and leaders who ensure everyone is performing at their peak and working seamlessly together.

Externally, we believe in using our voice in advertising and media to call attention to bias, spark dialogue and motivate change in the world. We know advertising has the power to shape how communities see themselves and each other. Many of our brands are advancing diversity and inclusion perspectives through accurate and positive portrayals in everyday advertising, and through calling attention to issues like racial inequality and LGBT+ bias."



William P. Gipson
President, End-to-End Packaging Transformation and Chief Diversity and Inclusion Officer

Using Our Voice

The Talk Sparks Dialogue and Earns Honors

Last year, P&G tackled head-on a real challenge that the U.S. and other countries must address, using our voice to shine a light on racial inequality driven by racial bias.

We created a two-minute film focused on "the talk" that many Black parents in the U.S. inevitably have with their children about racial bias to prepare, protect and encourage them. Snippets of parents having a version of The Talk with their son or daughter in various situations and across different decades illustrate that, while times have changed, racial bias still exists.

Since it debuted in July of 2017, the film has been viewed millions of times online and has generated widespread conversations in social media and news forums. The Talk was featured as part of the story line during an episode of *black-ish*, ABC's hit primetime sitcom and has racked up numerous awards, including the prestigious 2018 Cannes Grand Prix Lion for Film Corporate Image and 2018 Emmy Award for Best Commercial.

We know bias is a tough topic to tackle, but we believe acknowledging and understanding it allows us all to work together to put an end to its harmful effects. This film alone is not a complete solution, but an important step in the journey. We hope it will broaden the conversation about bias by exploring how people from different backgrounds can use listening and dialogue to form a common ground of understanding.

THE TALK

Vicks India

India is largely a conservative country—one where homosexuality is best kept closeted and where being transgendered is considered an unspoken curse. While a Supreme Court of India ruling in 2014 recognized transgender individuals as the "third gender" and some legal and political progress has been made, society at large continues to stigmatize and stereotype transgender individuals, and they are still denied basic rights. Vicks took a bold stand, sending a powerful message to help pave the way towards a more inclusive society. In a video for their #TouchOfCare campaign, Vicks cast a compassionate spotlight on transgender activist Gauri Sawant, challenging conventional thinking about what it means to be a caring mother.

VICKS TOUCH OF CARE

Tide North America

Tide advertising, which features diverse families sharing household chores, was created to help mitigate inaccurate or negative stereotypes that exist in our society. By including positive portrayals of Black fathers, same-sex couples and mixed-race couples in everyday advertising, Tide is not only appealing to a range of consumer groups, but also helping to establish diverse images as the norm, not the exception.

TIDE PODS





Using Our Voice

Head & Shoulders North America

As a brand that "takes care of the small stuff so you can tackle the big stuff," Head & Shoulders highlights individuals who have moved beyond the limitations on their shoulders to achieve great things. For the 2018 Winter Olympics, P&G's North America team brought extreme skier Gus Kenworthy on board as a brand ambassador. Gus had won a Silver medal at the 2014 Winter Games but had not performed at his peak because he kept his sexuality a secret. After coming out in 2015, Gus headed to the 2018 Winter Games as the first openly gay extreme skier. His dedication to not letting limitations get in the way of achievements is the embodiment of the Shoulders of Greatness campaign. The ad made history by flying the Pride flag in a national campaign.

HEAD & SHOULDERS VIDEO

P&G is First UK Company to Offer Audio Description Ads

In the UK, there are two million people with sight loss—a huge audience who have, until recently, been largely ignored by advertisers. It was this insight from Sam Latif, a P&G UK employee who lives with total sight loss, that started our journey to make our advertising more inclusive by adding Audio Description. P&G was the first company to offer Audio Description on advertising in the UK, and we are now working with the entire industry to enable this service across all channels.

FAIRY UK ADVERT

Documentary Profiles Courage and Leadership

In an era of increasing polarization and heightened concern for LGBT+ rights, *The Words Matter: One Voice Can Make A Difference* took on one of the most salient issues of our time and brought it to a worldwide audience. The Words Matter is more than just a corporate documentary—it's a refreshingly candid examination of P&G's own history and a lesson in leadership.

P&G commissioned the film in partnership with a production team at Great Big Story in celebration of the 25th anniversary of LGBT+ inclusion at the Company. It centers on the determined efforts of LGBT+ activist and retired employee Michael Chanak, who worked tirelessly in the 1980s to add sexual orientation to P&G's equal employment opportunity (EEO) statement of diversity. *The Words Matter* recounts the story of Chanak's fight and the legacy he left behind, bringing P&G into the future and altering the private sector forever. The film's surprising transparency, combined with an effective storytelling approach blending archival footage with compelling personal recollections, turned what might have been a stale corporate film into a moving account of workplace activism.

Beyond the launch and distribution of the film, P&G wanted to continue to bolster societal dialogue about LGBT+ inclusion. Screening events and discussions were held in New York, London, Geneva, Cincinnati, Cannes, China, Panama and other locations across the world. P&G worked with Great Big Story/CNN to create an online Pride Month media event to showcase the film and other LGBT+ stories. *The Words Matter* won a 2018 Cannes Silver Lion for Film Corporate Image.



At P&G, we're committed to using our voice to generate dialogue and create positive change. Only by being honest about our own past can we have the credibility to address important topics. Learning from history, we hope this film inspires a new generation to lead by following in the footsteps of courageous pioneers like Michael Chanak.

THE WORDS MATTER







Making an Impact

INROADS Fuels Pipeline of Diverse Talent

Since the 1980s, P&G has been working with non-profit INROADS to grow and develop talented, diverse youth in the U.S. Students of varied cultural backgrounds have joined P&G as interns and worked across all functions and business sectors. Without the support of INROADS, P&G couldn't have placed as many outstanding ethnically diverse students into internships or developed them to achieve career success at P&G.

Many highly-talented professionals who started their career as interns are today leading teams at P&G. "Equality is Opportunity: INROADS Turns Dreams into Reality," a 2018 documentary created by WorkingNation, featured Arun Yagnamurthy, who spent a summer working in P&G's North America Sales organization.

With the support of INROADS, we place students into internships and help them develop a career at P&G.

INROADS DOCUMENTARY

Project REACH Rolls Out in P&G Russia

Project REACH is designed to provide young people with disabilities the opportunities to grow their confidence and independence and gain valuable experience far beyond administrative tasks. P&G Russia embraced the program this year and initiated the biggest rollout of any P&G office, covering six functions (HR, IT, Finance & Accounting, Product Supply, Sales and Marketing). Dozens of trainings have been conducted for REACH newcomers and for the P&G teams who welcome them.

PROJECT REACH VIDEO

Making an Impact

Leveraging Neurodiversity for Innovation

Based in P&G UK's Reading Innovation Center, Dr. Emma O'Leary has been championing and leveraging neurodiversity to further innovation for the Company. In a first for Europe, Dr. O'Leary has designed a work-experience program for people on the autism spectrum, in collaboration with the National Autistic Society. She worked to ensure that the organization received training on autism, that the right measures were in place for the participants and that all participants were put at ease.

The interns reported a big confidence boost and their appreciation for the opportunity. Within P&G, eyes were opened to a broader definition of diversity and inclusion. The program resulted in two interns hired for 12-month internships and the Talent Supply team gaining an understanding of how to build accommodations in the hiring process for people with autism.

The National Autistic Society

In collaboration with the National Autistic Society, P&G designed a work-experience program for those on the autism spectrum.

P&G Germany and REWE Build Inclusive Playgrounds

With the citizenship campaign "Stück zum Glück" ("Piece of Happiness"), P&G Germany and REWE, one of the largest grocery chains in Germany, have joined forces with the non-profit group Aktion Mensch to build inclusive playgrounds across Germany over the next three years. The campaign demonstrates how a joint citizenship campaign can improve the lives of our consumers while also building the business. For each P&G product purchased at REWE, one cent will be donated, with a guaranteed donation of $1.1 million. The campaign's first inclusive playground has now been opened in Cologne, and children with and without disabilities can jointly experience new adventures every day. "We are thrilled by the initial success of our joint campaign," said Astrid Teckentrup, Vice President Sales at P&G Germany. "We are providing children and their families with a valuable space to play and are making a lasting improvement to their quality of life."



REWE

For each P&G product purchased at REWE, we donate one cent towards building inclusive playgrounds across Germany.

Making an Impact

P&G Costa Rica Champions LGBT+ Rights

A public-private partnership forged in Costa Rica between P&G, the Presidency of Costa Rica, United Way, the National Learning Institute, the United Nations Development Program and Ulacit (a local university), has developed a program that is educating public officials on the importance of LGBT+ rights. More than 100 public officials have been certified to date, and the P&G team in Costa Rica is proud to be championing this effort.

P&G COSTA RICA VIDEO



We are championing a public-private partnership in Costa Rica to educate public officials about the importance of LGBT+ rights.

Herbal Essences Designs a Sense of Touch

In 2019, the Herbal Essences brand will be making a small change that has a big impact for people with visual impairments. Research shows a large percentage of people have difficulty differentiating shampoo from conditioner while in the shower—either due to sight limitation or confusion. Herbal Essences is taking small steps to ensure the brand is more inclusive to ALL consumers with the launch of the category's first "visual impairment aid."

Since using similar bottles for both shampoo and conditioner makes it virtually impossible to tell the difference from touch alone, Herbal Essences saw an opportunity to improve the usage experience for ALL consumers by developing a system that distinguishes shampoo from conditioner through the sense of touch, adding etched distinguishers to the back of bottles as well as braille on the labels.

Herbal Essences believes that a shower should be a relaxing moment in the midst of our crazy days and is working to enhance the experience.

HERBAL ESSENCES VIDEO





Changing the Culture

Flex@work Evolves with the Times

In an era of single parenting, caring for aging parents, supporting a special needs child or navigating same-sex parenting, P&G sought to modernize our signature Flex@work program to provide location and time flexibility for modern families. Flex@work is designed to intentionally drive a culture change around flexibility to enable all employees to be fully engaged by supporting work-life integration, empowering employees to personalize their schedules directly with their managers. Flex@work has enabled P&G people to effectively manage personal needs while remaining fully engaged to deliver their work plan and grow their careers. The Company recently introduced additional upgrades in our parental leave policies in many our largest countries around the world and provided a clearer focus on career flexibility. Today, more than 75% of P&G employees report flexing, and we know that flexibility matters. In surveys over the past five years, employees who flex report significantly higher scores in four important areas of engagement and work-life effectiveness: flexibility, job demands, energy and support.

"Although many days I had to spend in laboratories or doctor's offices, my productivity was great. I felt the Company was truly supporting me as an individual, even throughout all the hardships."

– Aaron, P&G Brazil

"My third child was born this week and this is the first time I am going to spend quality time with the newborn baby...this is truly a dream come true."

– Roni, P&G Israel

"As a single mom of four children, trusting me to flex my schedule in response to the needs of my kids is one of the top motivators for me at P&G."

– Liz, P&G North America





Flex@work is designed to enable all employees to attain work-life integration, and today, more than 75% of employees report flexing.









Changing the Culture

Love Felt Around the World

From Santiago to London, Toronto to Rome, and at global headquarters in Cincinnati, P&G employees and their families took to the streets all around the world this spring and summer, waving rainbow flags and wearing colorful t-shirts (and rainbow glasses!) to march in celebration of love and equality.

In 2018, P&G participated in 35 Pride events globally, and we plan to support more than 50 in 2019. Here are some of our highlights:

- The GABLE Team in Central Europe, sponsored by Vice President Geraldine Huse, sported rainbow glasses (procured by Geraldine) while marching together at Budapest Pride on July 7.
- On June 18, for the third year in a row, P&G joined the CSD Parade in Frankfurt. P&G was the largest company group, with 100 P&G employees, companions and external partners marching.
- At the Crailsheim factory, GABLE site leader Horst Brazel helped to establish a Unisex Toilet at the factory to answer the needs of transgender colleagues.
- In Boston, Gillette showed up with a stunning blue float sporting giant razors.
- In Toronto the Crest “Smile with Pride” float got the crowd cheering.
- Pride St. Charles, located just outside St. Louis, is a newer event of only five years so P&G was thrilled to be the presenting sponsor this year.

P&G Latin America Hosts Regional LGBT+ Conference

Founded more than 20 years ago, GABLE—the affinity group for Gay, Ally, Bisexual, Lesbian and Transgender Employees—continues to grow and thrive around the world. This year, P&G Brazil hosted the first P&G Latin America GABLE Conference to bring awareness to LGBT+ and diversity matters, with a lens on business impact. The conference was attended by more than 70 P&G employees from 10 different countries, including P&G Brazil’s Leadership Team and more than 40 external guests from local business and academia.

The conference covered topics like LGBT phobia, from a PhD Professor in Psychology and included case studies from other companies, and brands discussing how to include diversity or communicate successfully with consumers. A panel with Google’s Brazil HR Director as a special guest featured personal stories from Shelly McNamara, Global HR VP; Fred Heimbeck, former Brazil CMK Director; and Aaron Flynn, former Brazil GABLE Leader. A highlight of the event was an address by the founder of GenderProud, a leading global advocacy and awareness organization that aims to advance the rights of all transgender individuals.

Changing the Culture

P&G Employee Affinity Groups

Affinity groups, which connect employees based on similar interests or aspects of diversity, are key enablers for employees to feel valued, respected and included, while enabling them to perform at their peak. They foster understanding for the interests and needs of employees in their groups and provide P&G with assistance in attracting, retaining and developing people of their group. Additionally, affinity groups provide assistance in understanding and meeting the needs of consumers of their group, and often volunteer to make a difference in local communities.

Global Affinity Groups

People With Disabilities Network

At P&G, we value diversity, including disability diversity. We founded the People With Disabilities (PWD) Network 38 years ago, when the U.S. enacted the Americans with Disabilities Act. The global group shares "coping strategies" with each other and with colleagues to enable fellow people with disabilities to perform at their peak in the workplace and to enable managers and colleagues to become disability confident. The PWD Network also leverages their diversity to influence company strategies on things like inclusive product development and inclusive advertising.

MEET P&G'S SCOTT VAN NICE

GABLE

GABLE is dedicated to fostering an inclusive, supportive global network that enables Gay, Ally, Bisexual, Lesbian and Transgender Employees to contribute to their fullest potential and to bring their whole self to work every day. What began more than two decades ago as largely a North American-centered network for fostering workplace equality for Lesbian, Gay, Bisexual and Transgendered (LGBT+) employees has grown into a supportive and global community, with chapters in every region of the world. These grassroots efforts have evolved into chapters representing the diversity of our employees, as well as strong allies to support individuality and inclusion.

Corporate Women's Leadership Team

The Corporate Women's Leadership Team (CWLT) is committed to the advancement of women, helping ensure that women's skills and insights are well represented throughout our global Company and at all levels of leadership. The CWLT continues to be actively involved in events and programs that promote mentoring, sponsorship, the development of leadership skills, flexibility and increasing representation of women at all levels.





Changing the Culture





Regional Affinity Groups

African Ancestry Leadership Network
The African Ancestry Leadership Network (AALN) is one of the longest-established employee groups at P&G, and reflects P&G's century-old commitment to the African-American community in the U.S. In the early 1950s, the company reaffirmed a commitment to diversity by hiring black skilled technicians and laborers. In 1958, with the launch of Drene Hair Care print advertising, P&G began the earliest diversity advertising. Employees of African Ancestry have been integral in helping the Company become a corporate leader in innovation and leadership, and we continue to benefit from rich consumer insights to develop new products and bring them to market. Although the AALN is currently focused on employees of African Ancestry in North America, work is underway to expand the group's reach to the African diaspora across the world.

Hispanic Leadership Network
There are approximately 60,000 Latinos living in the Cincinnati area, home to P&G's global headquarters. With language, economic and education barriers, life in Cincinnati can be difficult for many Hispanics. A team of dedicated P&G volunteers comprising the Hispanic Leadership Network in Cincinnati are united in their quest to improve people's lives inside and outside P&G. This group volunteers in the community in the areas of health, education and the arts and actively engages in programs that support young Hispanic talent.

MEET P&G'S HISPANIC NETWORK ↗

Asian Pacific American Leadership Team
One of the fastest-growing groups in North America, the Asian Pacific American Leadership Team (APALT) represents the Asian-Pacific Americans working at every level in P&G, where they have made major contributions to our business. The team offers opportunities for networking and is actively involved in recruiting, retaining, developing and advancing employees of Asian-Pacific heritage.

Native American Indian Leadership Team
The mission of the Native American Indian Leadership Team (NAILT) is to enable P&G employees with a strong Native American Indian cultural identity to bring their whole selves to work, in a way that leverages and respects the NAI diversity of our workplace and supports the communities in which we live. By strengthening the network across North America, NAILT aims to develop talent of North American Indian employees through mentoring, training, informal connections and talent career support. The group also volunteers in local communities where our employees live and work, aiming to improve the lives of people through education and community service.

Veterans and Reservists Network
The P&G Veterans and Reservists Network helps the Company attract and retain high-performing U.S. military veterans and reservists. In addition, they help enable fast starts through mentorship and build a positive environment through volunteering and community support.

Awards & Recognitions

Forbes Best Employers for Diversity (U.S.)

William Gipson named to Black Enterprise's Top Executives in Corporate Diversity (U.S.)

Diversity Inc. Top 50 Companies for Diversity (U.S.)

National Organization on Diversity's 2018 Leading Disability Employer Award (U.S.)

Best of the Best by National Business Inclusion Consortium (U.S.)

100% on Disability Equality Index Best Places to Work for Disability Inclusion (U.S.)

Top Supplier Diversity Program, DiversityComm/US Veterans Magazine (U.S.)

Disability Smart Inclusive Service Provider Award (UK)

Diversity Challenge by Charta der Vielfalt (Germany)

Premios Fundación Diversidad/Alares (Spain)

Canada's Best Diversity Employer 2018 (Canada)







Gender Equality

We aspire to build a better world for all of us—inside and outside P&G; a world free from bias and with equal voice and equal representation for all individuals. A world where everyone sees equal. We know that gender equality contributes to stronger economies, healthier communities and thriving businesses.

We are focusing on three areas where we can have the greatest impact: leveraging our significant voice in advertising and media to tackle gender bias; removing gender-biased barriers to education for girls and economic opportunities for women through our corporate programs and policy advocacy efforts; and creating an inclusive, gender-equal environment inside P&G—and advocating for gender-equal workplaces beyond P&G—where everyone can contribute to their full potential.

In each of these areas, we partner with highly-engaged organizations that share our commitment and where we can combine our resources, talents and skills to have a bigger impact.

VIEW HIGHLIGHTS **VIEW MORE STORIES**



HIGHLIGHTS

Busting Workplace Myths and Opening Minds

In January 2018, a thought-provoking exhibit arrived at the small Alpine town of Davos, Switzerland during the annual World Economic Forum. This Women at Work: Myth vs. Reality interactive exhibit dispels the gender "myths" that get in the way of women's representation and advancement in the workplace. It's designed to expose and challenge the myths that hold women back from achieving 50/50 representation at all levels of management, changing the way we think and talk about women and creating a new narrative that will accelerate progress. The Women at Work exhibit is appearing at additional events across the world, continuing to open minds and challenge outdated thinking.

READ MORE



HIGHLIGHTS

Sesame Street Muppets Fuel Girls' Aspirations

Chamki is a vibrant 5-year-old girl Muppet who lives on Galli Galli Sim Sim, the Indian version of Sesame Street. The Growing Up Chamki series airing on TV in India explores issues of gender equity in child-relevant ways, with girls and boys role-playing different careers and family roles. P&G partnered with Sesame Workshop to produce the episodes and make them available to Sesame Street co-productions around the world, aiming to set a new expectation that values girls' education equal to boys'—so that both boys and girls can reach their full potential. Sesame Workshop and P&G also launched an advocacy campaign featuring a 60-second video promoting girls' education and gender equality. This video launched on the Kwesé TV network in ten countries throughout Sub-Saharan Africa, airing more than 1,000 times, and has been viewed more than two million times on social media. P&G will continue to support Sesame Workshop, local educators and producers in developing engaging, inspiring female Muppet characters around the world. From Zari in Afghanistan to Chamki in India, Lola in Latin America, Kami in South Africa and Raya throughout Sub-Saharan Africa and South Asia, the girl Muppets have become the most popular characters among girls and boys alike.

READ MORE



HIGHLIGHTS

P&G Commits $100 Million to Women-Owned Businesses Outside the U.S.

When women have the tools to fully participate in the economy—through increased access to training, loans, credit, economic literacy and more—they build businesses, and we see entire communities transformed. P&G has made women's economic empowerment a priority and developed a program supporting women entrepreneurs across our supply chain, from suppliers to distributors to agencies primarily in the U.S., but now we're expanding the effort. In October 2017, we made a commitment to spend $100 million with Women-Owned Businesses (WBEs) outside the U.S. over three years. In December 2017, we joined with U.N. Women and Sharjah's ruler to host the first Women's Economic Empowerment Summit held in the Middle East, driving awareness about the importance of active intervention and long-term advocacy. P&G developed a customized training program targeting the private sector to help guide businesses on how to get started with WBEs. This, combined with other interventions, helped jump-start a new generation of women entrepreneurs. And we're proud to report that the 3-year, $100 million goal was surpassed in less than one year.



P&G's pledge to spend $100 million with Women-Owned Businesses outside the U.S. over three years was surpassed in just one year.

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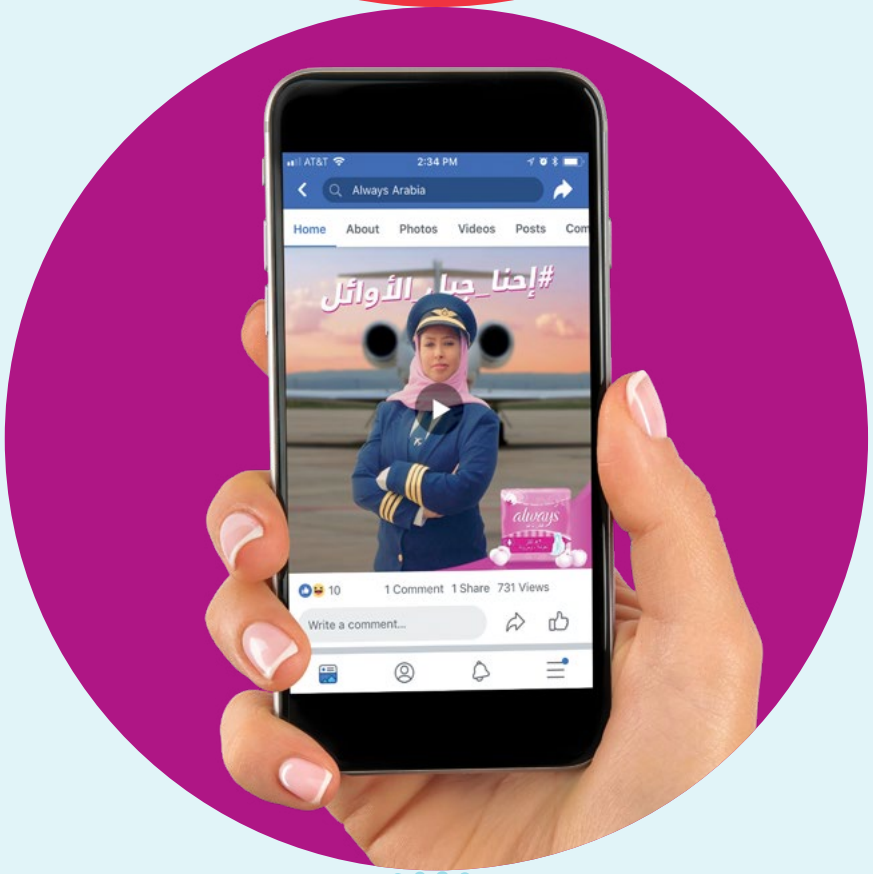
HIGHLIGHTS

Using Our Voice

To use our voice in advertising to help eliminate bias and promote equality, we announced at the 2018 Cannes Festival of Creativity an industry-wide aspiration to get to 100% of ads and media accurately portraying women and girls along with specific steps to get to 50/50 equality in creative directors and other production roles. We're partnering with #SeeHer and the U.N. Women Unstereotype Alliance, investing to expand Free the Bid and supporting content created by and for women—with partners like Katie Couric Media and The Queen Collective.

Gender-equal ads perform 26% higher in sales growth according to the same #SeeHer study. Some of P&G's best-performing brands have the most gender-equal campaigns such as Always Like A Girl and SK-II Change Destiny—demonstrating that equality is a force for good and a force for growth.

READ MORE



HIGHLIGHTS

Generation of Firsts

Our Always brand continues to tackle societal barriers for women around the world and in April launched the campaign “Generation of Firsts,” which celebrates Saudi women achievers. With this campaign, Always is supporting women to embrace being the first to achieve a career ideal that had been traditionally challenged. The film was made with not only an all-Saudi cast and crew but an *all-female* Saudi cast and crew including the director, producer, cinematographer and full production team.

The film was viewed more than 1.5 million times and generated a social media flurry with more than 1,000 stories, pictures and videos of Saudi girls proudly posting what they had accomplished.

always

The Always campaign “Generation of Firsts” celebrates Saudi women achievers, inspiring consumers to share their own stories.

READ MORE



HIGHLIGHTS

Men Advocating Real Change™

At P&G, we believe that the requisite skills to succeed as leaders in 2018 and beyond include the ability to be empathetic and inclusive. Given the critical role men play in advancing women and to achieving gender equality, we have partnered with Catalyst on their MARC™ (Men Advocating Real Change) initiative. Through this effort men better understand the impact stereotypes, unconscious bias and male-dominant culture have on women's career progression. In less than two years, MARC workshops have reached almost 800 P&G managers across more than 15 countries. And by inviting other Fortune 500 companies to join our P&G-hosted workshops, several companies have been inspired to launch their own MARC initiatives.

READ MORE

Gender Equality

Message from Carolyn Tastad ›
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Awards & Recognitions ›



Message from Carolyn Tastad

"At P&G, we want a world free from bias—a world with equal voice and equal representation for all individuals.

We believe in gender equality. Equality for women of all races, LGBT+ women, women of high and low economic status, women with disabilities, with more and less education—in however individuals define themselves. We're making progress, but there is more to do.

This past year, we made a conscious choice to look deeper into understanding why women are so massively underrepresented in the top levels of companies, of governments, of industries everywhere. The answer, at least in part, is that society continues to operate with a set of outdated assumptions—or myths—about women that hold them back. We've all heard the clichés that feed these myths: Women question and doubt themselves. Women dread confrontation. It's hard for women to master their emotions. They lack ambition.

Women bump up against the notion that it's their own behavior or style that holds them back. We know this is false. We need to create a new narrative—we need to unlearn the myths and replace them with the reality that we see every day. Women are highly effective leaders. That's what we believe at P&G."



Carolyn Tastad
Group President,
North America

Using Our Voice

Generation of Firsts

Our Always brand continues to tackle societal barriers for women around the world. Saudi Arabia is at the cusp of transformation as Saudi women are coming into their own, challenging expectations in careers and at home. In April 2018, Always launched the "Generation of Firsts" campaign, which celebrates Saudi women achievers. Through this campaign, Always is supporting women to embrace being the first to achieve a career ideal that had been traditionally challenged. The film was made with not only an all-Saudi cast and crew, but with an *all-female* Saudi cast and crew—an unprecedented undertaking.

The film was viewed more than 1.5 million times and generated a social media flurry with more than 1000 stories, pictures and videos of Saudi girls proudly posting what they were the first in their families to accomplish.

ALWAYS SAUDI ARABIA

Brand Campaigns Champion Gender Equality

Ariel France
By highlighting the important role parents play in role modelling, this Ariel ad challenges the idea that laundry is a woman's job. French authorities have called it "the first time that an ad explicitly points to sharing responsibilities in the home. It is an evolution of our society."

ARIEL FRANCE

Joy Japan
In Japan, while 60% of married couples today have careers, 90% of household work is performed by women. "Sharing the housework – job to JOY" encourages family members to talk about sharing chores and uses male and female perspectives to tell a compelling story.

JOY JAPAN

Olay North America
From being told they are "too emotional" to "too ambitious," women constantly face conflicting expectations for how they should look, feel or behave. An Olay campaign is ready to put an end to that by encouraging women to "Face Anything".

OLAY NORTH AMERICA

Olay China
Olay is encouraging all women to be fearless about their age, using meaningful numbers instead of years to tell their story: "59", for instance, because she has won 59 championships, or "8", because she has been a singer for 8 years.





We are using our brand advertisements to change cultural perspectives about gender norms around the world.

Using Our Voice





Sesame Street Muppets Fuel Girls' Aspirations

Chamki is a vibrant, five-year-old girl Muppet on Galli Galli Sim Sim, the Indian version of Sesame Street. Chamki loves school and dreams of becoming a scientist one day. The Growing Up Chamki series airing on TV in India explores issues of gender equity in child-relevant ways, with girls and boys role-playing different careers and family roles. This teaches girls and boys alike that they can aspire to be anything they want to be.

P&G partnered with Sesame Workshop to produce the episodes and make them available to Sesame Street co-productions around the world, aiming to set a new expectation that values girls' education, so that both boys and girls can reach their full potential. Empowering girls is critically important because they face barriers boys do not. Early marriage, gender discrimination, lack of adequate sanitation and differences in how parents value education for girls versus boys often keeps girls from enrolling and staying in school.

Sesame Workshop and P&G also launched an advocacy campaign featuring a 60-second video promoting girls' education and gender equity. This video aired more than 1,000 times on the Kwesé TV network in ten countries throughout sub-Saharan Africa and has been viewed more than two million times on social media.

GROWING UP EQUAL ↗

P&G will continue to support Sesame Workshop, local educators and producers in developing engaging, inspiring female Muppet characters around the world. These characters appeal to both children and adults, and they encourage audiences to respect girls, appreciate their diverse likes and dislikes, advocate for their education and support their dreams—planting the seeds for societal change. They are often able to challenge stereotypes in ways that human characters could not, without threatening or disrespecting cultural norms. From Chamki in India to Zari in Afghanistan and Lola in Latin America, these, and other girl Muppets, have become the most popular characters among girls and boys alike.

SESAME WORKSHOP

Using Our Voice

Always Increases Efforts to Help Keep Girls in School

Girls in many parts of the world don't have access to sanitary pads, causing them to miss school during their period. Always has been helping the most at-risk girls with access to pads for more than 10 years through initiatives like the Always Keeping Girls in School Program in Africa. When Always learned, in early 2018, that there were still a significant number of girls in developed countries missing school because of lack of access to period products, the team expanded their efforts by launching programs like the #EndPeriodPoverty campaigns in the UK, U.S. and Canada.

The campaigns have been critical in raising awareness and sparking conversation around the issue, as well as providing access to products for girls in need. To date, more than 25 million pads have been donated through these campaigns. Similar campaigns will continue to be rolled out in other countries in the coming year. These programs are just one way Always is helping to champion girls' confidence by keeping them in school and focused on reaching their full potential.

ALWAYS VIDEO ↗

Queen Collective Inspires Female Filmmakers

Legendary artist Queen Latifah is helping to accelerate gender and racial equality behind the camera by creating U.S. distribution for films produced by diverse female directors. The Queen Collective—a program developed in partnership with Queen Latifah, Tribeca Studios, P&G and other partners—issued a call for women directors of color to submit a treatment for an original short documentary. Brittany "B.Monét" Fennell and Haley Elizabeth Anderson were chosen as winners and participated in a mentorship session hosted by Tribeca Studios. They will make films with financing and distribution support from the Queen Collective.

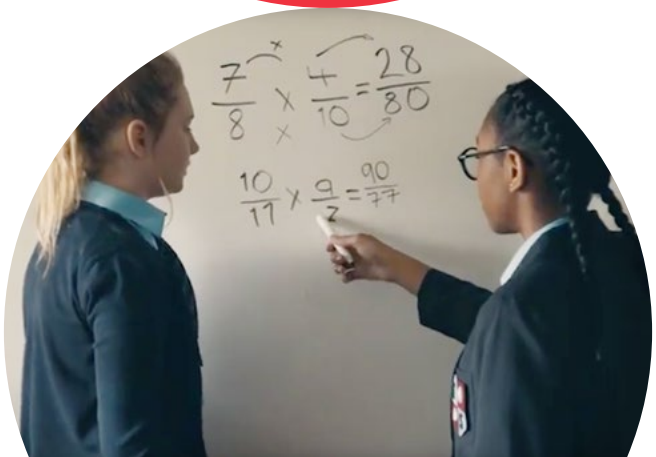
Partnered with Queen Latifah and Tribeca Studios, P&G is distributing films produced by diverse female directors.

QUEEN COLLECTIVE ↗





The Always Keeping Girls in School program in Africa has expanded to include #EndPeriodPoverty campaigns in the UK, U.S. and Canada.



Making an Impact

P&G Commits $100 Million to Women-Owned Businesses Outside the U.S.

When women have the tools to fully participate in the economy—through increased access to training, loans, credit, economic literacy and more—they build businesses, and entire communities are transformed. P&G has made women's economic empowerment a priority and developed a program that supports women entrepreneurs across our supply chain, from suppliers to distributors to agencies.

While initially conducted primarily in the U.S., the effort has been expanded. In October 2017, P&G committed to spend $100 million with Women Owned Businesses (WBE) outside the U.S. over three years. In December 2017, P&G joined with UN Women and the ruler of Sharjah to host the first Women's Economic Empowerment Summit in the Middle East, driving awareness about the importance of active intervention and long-term advocacy. P&G also developed a customized training program targeting the private sector to help guide businesses on how to get started with WBE. Combined with other interventions during the summit, this helped jump-start a new generation of women entrepreneurs. We're proud to report that the three-year, $100-million goal was surpassed in less than one year.

Mexico, Nigeria, Malaysia, Spain Champion Women Entrepreneurs

P&G Mexico and P&G Nigeria partnered with WEConnect International to develop 20 female entrepreneurs in each market by providing a multi-session training course, tailored to meet local market needs. P&G experts and external speakers facilitated the sessions to develop participants' business strategies and skills in areas such as marketing, sales, finance and leadership. At the end of the course, the entrepreneurs were able to present their pitches to representatives from P&G Purchases to receive valuable feedback. P&G and WEConnect will continue to make more economic opportunities available through high-value training sessions in additional markets.

Initiated in 2015, Ibo Nakhoda Hidup is a collaborative program between P&G Malaysia, top retailer MYDIN, and the non-governmental organization WOMEN:girls. This program aims to help mother entrepreneurs (mompreneurs) not only generate household income but to also pursue their dreams of running a successful small business. Every year, five winners are selected for funding and special support opportunities in branding, business strategies and given access to machinery and equipment to bring their business to the next level. As of 2018, the program has received 600 submissions from mompreneurs from 10 states across Malaysia, generating more than $90,000 of support.

P&G Spain partnered with Womenalia, a network of more than 280,000 professional women, and retailers Arenal, Marvimundo and Primor to enhance economic opportunities for women through the launch of "Sigue Adelante" (Keep Going) grants. This year, grants were given to three women entrepreneurs to launch their businesses, and they were given access to funding, training, mentoring and a co-working space.



Partnered with WEConnect, we provide training courses to teach business strategy, finance and sales to women entrepreneurs.

Making an Impact

Forward Together Toronto Nurtures Talent

Five years ago, P&G Canada's internal Women's Network saw an opportunity to further develop high-potential women in the company. P&G's Irena Kahn, supported by her management, took the lead to connect with other large employers in the Toronto area to create a forum called Forward Together. The Forward Together conference is now an annual event, and P&G women who participate say they love to the dynamic guest speakers and the opportunity for peer mentorship and to share best practices across different companies. To date, more than 1,000 women have been touched by this effort, helping to grow the next generation of female business leaders.

FORWARD TOGETHER VIDEO ↗

JUMP Promotes Women in the Workplace

JUMP is Belgium's leading voice working with organizations and individuals to close the gap between women and men at work, in order to create a more equal society. In March 2018, P&G's Belgium, Netherlands, Luxembourg business leader Caroline Thomaes, a passionate advocate for women, was asked to talk at the annual JUMP Conference about how P&G is working to create a gender equal world inside and outside the Company.

JUMP
Promoting gender equality, advancing the economy

LEAD Develops Europe's Future Female Leaders

At many corporations in Europe, women have traditionally not been part of the retail and consumer goods industry, largely because of an outdated perception that a career in Sales means life on the road and a false narrative that few women can succeed as a corporate executive.

LEAD NETWORK
Leading Executives Advancing Diversity

FEMALE LEADERS VIDEO ↗

P&G has taken steps to drive change across the continent, starting with our own industry. As a Foundation Partner and longstanding supporter of the Leading Executives Advancing Diversity (LEAD) Network, we've joined forces with other corporations to actively attract, retain and advance women in the retail and consumer goods industry in Europe. LEAD serves as a platform for exchanging ideas and best practices and for inspiring others to find solutions to challenges they may be facing.

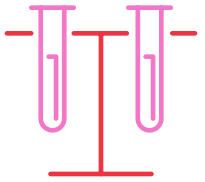
At the 2017 annual LEAD Network event, P&G was recognized as the European CPG (Consumer Packaged Goods) manufacturer with the highest representation of female executives (32%). We are driving our partnership with LEAD Network through local chapters in Switzerland, Netherlands, Germany, Spain, Turkey and the UK.

"We're very proud of the progress we've made at P&G but there is a lot of work ahead. Industry collaborations like LEAD Network are vital for broad and sustainable progress towards true gender equality in business and society."

— Gary Coombe, Group President, Global Grooming, and former President, P&G Europe.

P&G Belgium Supports Girls in STEM

"Greenlight-for-Girls" (G4G) is an international organization aimed at encouraging girls to pursue STEM studies. Since 2013, P&G's R&D team in Brussels has been organizing science workshops for girls in order to educate and inspire them to pursue future careers in science, technology, engineering or math (STEM). The Brussels Innovation Center has spearheaded this effort, and P&G centers in Barcelona and Cincinnati have also adopted the initiative. Plans are underway to expand the effort to additional countries.



Our R&D team in Brussels organizes science workshops for girls to inspire them to pursue careers in STEM.

Changing the Culture

Busting Workplace Myths and Opening Minds

We are working to create an inclusive, gender-equal workplace—within P&G and beyond. While progress has been made, women are still underrepresented at the top levels of most companies. One reason is that society continues to operate with a set of outdated assumptions about women in the workplace.

In January 2018, the thought-provoking exhibit Women at Work: Myth vs. Reality was displayed at Davos, Switzerland during the annual World Economic Forum. The interactive exhibit dispels the gender "myths" that get in the way of women's representation and advancement in the workplace. The brainchild of P&G and Seneca Women, a global leadership community, the exhibit is designed to expose and challenge the myths that hold women back from achieving 50/50 representation in all levels of management, changing the way we think and talk about women and creating a new narrative to accelerate progress. The Women at Work exhibit is appearing at additional events and gatherings across the world.

50 | 50

At P&G, we're challenging the myths that hold women back from achieving equal representation in the workplace.

WOMEN AT WORK: MYTH VS REALITY ↗

Men Advocating Real Change™

At P&G, we believe that the requisite skills to succeed as leaders in 2018 and beyond include the ability to be empathetic and inclusive. Given the critical role men play in advancing women and in achieving gender equality, we have partnered with Catalyst on their MARC™ (Men Advocating Real Change) initiative. Through this effort men better understand the impact that stereotypes, unconscious bias and male-dominant culture have on women's career progression. In less than two years, MARC workshops have reached almost 800 P&G managers across more than 15 countries, with plans to expand further in 2019. Several other Fortune 500 companies, invited to join the P&G-hosted workshops, have been inspired to launch their own MARC initiatives.

"For me, MARC boldly started a dialogue with myself and other male colleagues about what we assume to be normal (but it is not), how much business culture is built on male culture, and the privilege I had in belonging to the dominant culture from the beginning of my career."

— Giorgio Siracusa, Vice President, Human Resources, P&G Europe



In less than two years, MARC dialogue workshops have reached almost 800 P&G managers across more than 15 countries.

Changing the Culture

#WeSeeEqual Forums Held in NA, Europe, Asia

Notable advocates for Gender Equality headlined P&G-hosted events in 2018 to share inspiring stories and galvanize P&G's efforts to build a world free from gender bias. Award-winning journalist Katie Couric, former White House Executive Director for the Council on Women & Girls Tina Tchen and others energized employees, industry partners and government representatives in P&G's Cincinnati, Geneva and Singapore offices, inspiring attendees to become advocates for change within the workplace and in their communities.



P&G's Sue Kyung Lee brought together advocates for Gender Equality to share stories and inspire action within their communities in Singapore.

P&G Manufacturing Site Embraces Equality

P&G's Hyderabad plant was one of the first manufacturing sites in India to aggressively hire and support women across the workforce. In an unprecedented move, the site collaborated with the government to receive approval to allow women to work across shifts. To facilitate this, P&G arranged the necessary support, including providing special secure transport for women and inclusive onsite health and wellness programs. Engagement sessions were held during recruitment with candidates, their parents and the entire Hyderabad Leadership Team to communicate our commitment to safety, security and meaningful long-term careers. Female employees now work across all shifts and have the opportunity to operate manufacturing equipment. Implementing these changes has created tremendous response during hiring drives and has provided a roadmap for sustaining women over the course of their careers.



Our Hyderabad plant in India expanded their transportation and health support to enable women to work across all shifts.

Gender Equality Partners

Achieving a world free from gender bias is not work that any one individual, NGO, government or company—no matter how committed—can tackle alone. In all of our Gender Equality focus areas—leveraging our voice in advertising, removing barriers to education and economic opportunity and achieving 50-50 representation within our Company—we partner with highly-engaged and effective organizations that share our commitment.

We are inspired and proud to work with our partners to combine our resources, talents and skills to have a broader and bigger impact.

#SEE HER seeher.com

care

CATALYST
WORKPLACES THAT WORK FOR WOMEN

seneca women
FAST FORWARD

GLOBAL SHAPERS COMMUNITY

WOMEN DELIVER

GLOBAL CITIZEN

LEAN IN

network of executive women
CONSUMER PRODUCTS / RETAIL

Save the Children

VITAL VOICES
GLOBAL PARTNERSHIP

UN WOMEN

SESAME WORKSHOP

WEConnect INTERNATIONAL

WOMEN IN THE WORLD

World Vision

WOMEN'S FORUM
FOR THE ECONOMY & SOCIETY

Awards & Recognitions

Carolyn Tastad, Alex Keith and Fama Francisco named to Fortune's Most Powerful Women (Global)

NAFE Top Companies for Executive Women (U.S.)

Working Mother Best Companies for Working Mothers (U.S.)

Empowerment of Women Bronze Award, Pinnacle Group Global CSR Awards (Global)

Working Mother Best Companies for Multicultural Women (U.S.)

Top 10 company – best gender equality practices (Colombia)

Total E-Quality award (Germany)

Gary Coombe recognized as a male champion for Women in Business, 2018 Agents of Change Power List (UK)







Environmental Sustainability

Building on our legacy of environmental leadership, we have made significant progress against our 2020 goals for climate, water and waste—having achieved several of them already—and have set new, ambitious environmental goals for 2030 that will enable and inspire positive impact. These goals seek to address two of the world's most pressing environmental challenges: finite resources and growing consumption.

VIEW HIGHLIGHTS

VIEW MORE STORIES



HIGHLIGHTS

Ambition 2030

We've made strong progress against our 2020 goals and the time was right to raise the bar. So this year we launched our new 2030 goals—Ambition 2030—aimed to enable and inspire positive impact while creating value for consumers and our Company. These goals focus on where we know we can make the biggest positive difference—our brands, our supply chain, society and our employees.

People know us through our brands, and we will use the power of our innovation and our brands to delight consumers and drive positive impact. In our supply chain, we will reduce our footprint and strive for circular solutions. We can impact society by creating the right partnerships that enable people, the planet and our business to thrive, and this includes finding solutions so that none of our packaging finds its way to the ocean. And finally, we will tap into our greatest resources, our employees, so that they are engaged and equipped to build sustainability into their daily work and our communities.



HIGHLIGHTS

A Power Play

Our energy team has worked hard to deliver renewable onsite projects like a combined heat and power biomass facility in Georgia and offsite partnerships like our wind farm in Texas that have put us on track to deliver our current targets. Building off their progress, we've stepped that up for 2030. We've agreed to purchase 100% renewable electricity and will do this in North America by 2020 and globally by 2030. We have also committed to reduce scope 1 and 2 greenhouse gas emissions by 50% by 2030, using 2010 as a baseline. This science-based target aligns with climate science, and it will help us do our part to reduce the impact of climate change.



P&G will purchase 100% renewable electricity in North America by 2020 and globally by 2030.

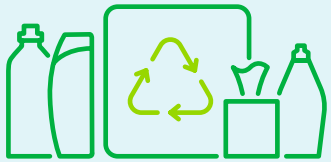


HIGHLIGHTS

A Sea of Change

We understand what's happening to the world's oceans, so that is why we have included a plastics pledge in our Ambition 2030 goals. We are looking at holistic solutions that will make it possible that no P&G packaging finds its way to the ocean. We are reducing the plastic we use, increasing recycled content and the recyclability of our packaging, and leveraging innovation and partnerships to help stop the flow of plastic into our oceans. Our brands are bringing this to life:

Limited-edition H&S and Fairy bottles in several European countries contain recycled beach plastic. Almost 100% of the packaging used in Charmin, Puffs and Bounty is recyclable. Lenor introduced post-consumer resin into transparent sizes in Europe and enabled the use of 3,100 tons of recycled plastic in 2017.



P&G is reducing the plastic we use and increasing recycled content and the recyclability of our packaging.



HIGHLIGHTS

Partnering for Change

We know that no one company can do this alone and believe that collaboration will be critical to driving positive change at scale. We've had some initiatives that we've been able to bring to life with our partners. For example, we worked with TerraCycle and Tesco to provide one lucky school in the UK with a playground made with recycled plastic. In Italy, we worked with Carrefour to create a sustainability campaign around beach litter that enabled shoppers to help choose which beach to clean by providing a donation with purchase. In Japan, Febreze partnered with TerraCycle and a national retailer to encourage shoppers to bring in used Febreze car air fresheners to their local shops for recycling. These collections were recycled into raw materials used to manufacture safety reflectors which were donated to schools—a great example of bringing the circular economy to life.

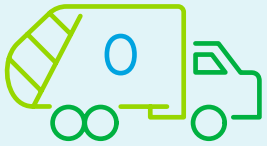
Febreze, along with our partners TerraCycle and Tesco, gave schools in the UK a chance to win a playground made from recycled plastic.



HIGHLIGHTS

That's Not Garbage

Our production sites are well on their way to reaching our goal of sending zero manufacturing waste to landfill by 2020. In fact, approximately 85% of our production sites have successfully qualified as Zero Manufacturing Waste to Landfill sites. So how does this happen? It all starts with changing the mindset to see waste not as waste, but as worth. Around the world, our employees have changed their everyday behaviors, partnering with our Global Asset Recovery Purchases (GARP) team to think of creative and innovative ways to find new life for our materials. So instead of sending those suds that don't meet our specs to the landfill, we sell them to carwashes. The scraps from some of our fem care products become cat litter. Old shipping drums are repurposed into artistic waste bins, school benches and tree containers. And there is a double benefit—we create a more circular supply chain by avoiding the landfill while also getting revenue for this would-be waste. Since the program started in 2008, it has saved the Company more than $2 billion and has helped divert five million tons of waste from the landfill.



85% of our plants have achieved our 2020 goal of sending zero manufacturing waste to landfill.

Environmental Sustainability

- Message from Shailesh Jejurikar
- Vision and Progress
- Brand Stories
- Circular Supply Chains
- Climate
- Greenhouse Gas Emissions
- Renewable Energy
- Energy Conservation
- Low-Energy Washing
- Renewable Materials
- Packaging
- Responsible Forestry
- Palm Oil
- Water
- Waste
- The Power of the P&G People
- Sustainable Innovation with Suppliers
- Worldwide Health, Safety and Environmental Systems
- Awards & Recognitions
- Environmental Resource and Waste Summary
- Global Measurement and Additional Operational Data



Message from Shailesh Jejurikar

"This year, we took a major step in renewing our commitment to environmental sustainability. In April, we launched new, ambitious goals for 2030 that focus on where we know we can make the most meaningful difference—our brands, supply chain, society and employees. We've already achieved many of our 2020 goals, and we're committed to stay on track so we can deliver the remaining goals. However, achieving these goals is not enough. We know our stakeholders want and expect more. With our global reach, our understanding of the five billion people we serve and our innovation and supply chain capabilities, we have a unique ability to drive positive impact in the world. We can be a force for good and a force for growth, but we know we cannot do this alone. We will partner with consumers, industry, governments, civil society groups and academics so that, together, we can make an even greater impact."



Shailesh Jejurikar
President, Global Fabric Care and Brand Building Organization, Global Fabric & Home Care, and Executive Sponsor, Global Sustainability

VISION AND PROGRESS

Ambition 2030

Ambition 2030 aims to enable and inspire positive impact on the environment and society while creating value for the Company and consumers. Our Ambition 2030 goals span our brands, our supply chain, society and our employees. We know P&G alone does not have all the answers. It will take partnerships and collaboration to make meaningful progress and take responsible consumption to the next level.

AMBITION 2030



BRANDS

Use the power of innovation and our brands to delight consumers and drive positive impact



SUPPLY CHAIN

Reduce our footprint and strive for circular solutions



SOCIETY

Create transformative partnerships that enable people, the planet and our business to thrive



EMPLOYEES

Engage and equip P&G employees to build sustainability thinking and practices into their work and their communities

VISION AND PROGRESS

2020 Environmental Goals Progress

CLIMATE

Reduce energy use at P&G facilities by 20% per unit of production by 2020

Achieved—22% reduction per unit of production

Reduce absolute GHG emissions by 30% by 2020

We have reduced absolute GHG emissions by 21%

Ensure 70% of machine loads are low-energy cycles

69% of loads are low-energy

Have 100% of the virgin wood fibers used in our tissue/towel and absorbent hygiene products be third-party certified by 2015

Achieved—100% third-party certified

Reduce truck transportation kilometers by 20% per unit of production

Achieved—reduced kilometers by more than 25%

Ensure plants are powered by 30% renewable energy

14% of energy is from renewable sources

Implement palm oil commitments

We continue to advance progress against our three-pillar strategy

Create technologies by 2020 to substitute top petroleum-derived raw materials with renewable materials as cost and scale permit

We have developed the ability to substitute our top petroleum-derived raw materials (resins, cleaning agents and acrylates) with renewable materials

Numbers are representative of progress since 2010

VISION AND PROGRESS

2020 Environmental Goals Progress

WATER

Provide 1 billion people with access to water-efficient products



700 million people with access to water-efficient products

Reduce water use in manufacturing facilities by 20% per unit of production with conservation focused on water-stressed regions



Achieved—25% reduction per unit of production

WASTE

100% zero manufacturing waste to landfill by 2020



85% of our manufacturing sites are ZMWTL

Reduce packaging by 20% per consumer use



We have reduced packaging by approximately 13.5% per consumer use

Ensure 90% of product packaging is either recyclable or programs are in place to create the ability to recycle it



We have achieved 86% and have strong, ongoing effort to further increase recyclability

Have 100% of our paper packaging contain either recycled or third-party-certified virgin content by 2020



98% of the volume reported by our suppliers was either recycled or third-party-certified virgin content

Double use of recycled resin in plastic packaging



We used approximately 38,100 metric tons of PCR in our plastic packaging, getting us 46% of the way to our goal

Conduct pilot studies in both the developed and developing world to understand how to eliminate landfilled/dumped solid waste



We continue to make progress implementing a variety of pilot projects with external partners

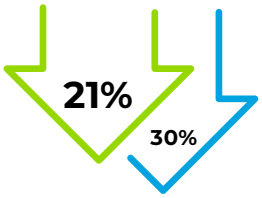
Numbers are representative of progress since 2010

VISION AND PROGRESS

Environmental Progress vs. 2010 Baseline

Within our operations we strive to grow responsibly, constantly improving our efficiency while reducing our footprint. Global production has increased since 2010, however we have successfully decoupled that growth from our environmental footprint, achieving both absolute and production-adjusted reductions in waste, water, energy and GHG emissions.

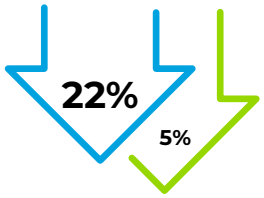
GHG



21% absolute reduction

30% reduction per unit of production

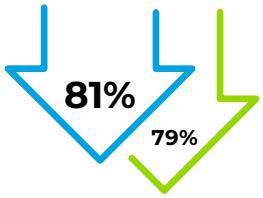
Energy



22% reduction per unit of production (exceeding goal early)

5% absolute reduction

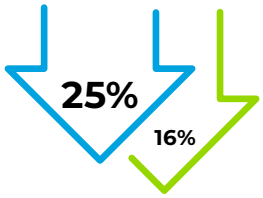
Waste



81% reduction in solid waste with 85% of our sites achieving zero manufacturing waste to landfill

79% absolute reduction

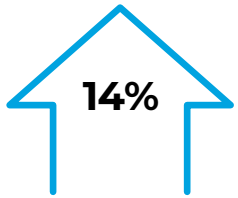
Water



25% reduction per unit of production (exceeding goal early)

16% absolution reduction

Renewable Energy



Currently **14%** of our total energy comes from renewable sources

Brand Stories

Head & Shoulders

We launched the Head & Shoulders Beach Bottle in France in June 2017 to a positive reception. The bottle is made with 25% recycled plastic collected from the beach and has received broad recognition as a significant innovation in sustainability, including the United Nations' Momentum for Change Award. With this consumer and commercial success, Head & Shoulders expanded this innovation to Germany, Spain, Turkey and Israel and plans are in place for further expansion.

Fairy

Fairy Ocean Plastic bottles were launched in Europe this year in partnership with TerraCycle. It was designed to raise awareness of ocean plastic pollution and what can be done to prevent plastic waste from reaching the ocean. The innovative bottle is made from 10% ocean plastic, collected from the ocean and beaches around the world and is 100% recyclable (excluding cap and label).

Bounty

Bounty delivers more life per roll by providing superior absorbency and strength. When people choose Bounty, they can do more with less and make a sustainable difference because 100% of the wood fiber used to make Bounty paper is from responsibly managed forests.

100% of the wood fiber in Bounty rolls is from responsibly managed forests.

Puffs

Puffs provides soothing comfort to noses in need. Puffs are made from softwood and hardwood fibers that were produced to meet international standards for responsible forestry.

Charmin

Charmin is soft and strong and lasts longer because people can use less Charmin Ultra Soft and Charmin Ultra Strong than the leading bargain brand. All Charmin tissue products are made from wood fiber which has been third-party certified to responsible forestry standards, so you can confidently Enjoy the Go and support healthy forests.



Our Fairy Ocean Plastic bottle is made from 10% ocean plastic and 100% recyclable (excluding cap and label).

Brand Stories

Downy and Lenor – Long Live Fashion Formula

When it comes to your clothes, it's our business to clean and our passion to care—for clothes and the planet. We want to help people take the best care of the clothes they love, so we can collectively reduce the impact clothing has on our planet. We found that by caring for clothes with what we call "the long live fashion formula"—using a high-quality liquid or PODs like Ariel, washing in quick and cold cycles and conditioning with Downy or Lenor—we can quadruple the clothes' life.

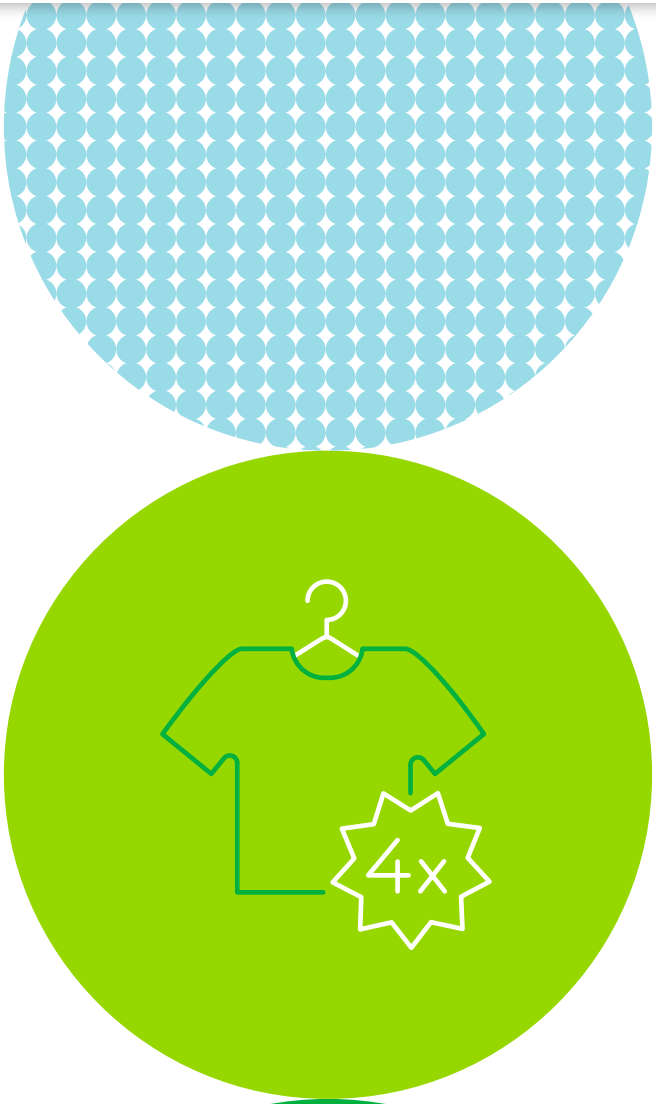
In Europe, we tested a typical household laundry basket with this treatment vs. using a competitive powder at a 40°C cycle and found that we could keep clothes like new for 4x longer than with the alternative treatment. To drive awareness of this within the fashion industry, we attended the Copenhagen Fashion Summit (CFS). Bert Wouters, VP for the Fabric Enhancer Franchise globally, emphasized to the audience the impact each of us can make by using the right laundry procedure. He shared compelling information, including the fact that if Europeans extended the life of one in five garments by just 10%, that would translate to saving enough carbon to power half a million homes for a year and more than 150 million liters of water from slower-paced clothing production.

Hand-Me-Downy

In North America, millions of tons of clothing are sent to landfills each year. One of the major reasons this happens is because clothes aren't well cared for, and they wear out too soon. To help keep clothes in closets and out of landfills, Downy encouraged Canadian families to swap clothes their kids had outgrown through the first "Hand-Me-Downy" program. Downy sent Canadian families kits to host their own clothing swaps, including invitations and bottles of Downy to protect the clothes they love so they can be worn and handed down, not worn out and thrown out. Through the swaps, each family received 'new to them' clothes at no cost, and every article of clothing found a new home, proving that caring for clothes is better for wallets and the environment!

Oral-B

Oral-B wants to help put some power in your toothbrush while also helping the planet. Our power brushes have a long lifecycle and are often used by consumers for up to five years before being replaced. Electrical brushes use rechargeable batteries as a source of energy and enable a much higher product performance versus disposable batteries. This results in longer lifecycle and less waste. Since July 2017, Oral-B has extended its range of products featuring Lithium Ion batteries which significantly increase the lifecycle of the brushes. These batteries are built into most Oral-B power brush models, from the Pro-2000 to our most premium Genius brushes.



Using Ariel with quick, cold cycles and conditioning with Downy or Lenor were proven to keep clothes like new for 4x longer.

Circular Supply Chains

Circularity has always been a part of our ongoing conservation and environmental footprint reduction efforts within water, waste and renewable energy. However, as we look toward the next decade, we are committed to be both a force for good and a force for growth. As part of that vision, we have embraced the need to create a more circular end-to-end supply chain. To achieve this, we will need to start thinking differently about the incoming materials, manufacturing work process, distribution, and transport of our products. Circularity is not only the right thing to do, it also helps make our operations more efficient and resilient.

We have established specific targets that we intend to achieve by 2030:

1. 100% renewable electricity and cut GHG emissions in half at P&G sites
2. P&G sites will deliver a 35% increase in water efficiency and source at least five billion liters of water from circular sources
3. Advance at least 10 significant supply chain partnerships to drive circularity on climate, water or waste

To learn new methods, find creative partners and to accelerate our circular journey, we recently joined the Ellen MacArthur Foundation Circular Economy 100 working group. The Circular Economy 100 is a pre-competitive innovation program established to enable organizations to develop new opportunities and realize their circular economy ambitions faster. It brings together corporations, governments and cities, academic institutions, emerging innovators and affiliates in a unique multi-stakeholder platform.

CE100

ELLEN MACARTHUR FOUNDATION ↗

CIRCULAR ECONOMY ↗

CE-100 MEMBER GROUPS ↗

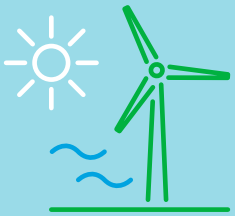


Part of our 2030 vision is making a more circular, end-to-end supply chain to improve efficiency and reduce waste.



Climate





We will reduce our Scope 1 & 2 greenhouse gas emissions by 50% by 2030.

We recognize the scientific consensus linking greenhouse gas emissions and climate change. As a global citizen, we are concerned about the negative consequences of climate change and believe action by governments, industry and consumers to reduce emissions to the atmosphere is necessary. We are committed to doing our part to reduce greenhouse gas emissions including adopting science-based targets to ensure we are contributing our fair share.

We are striving to reduce emissions from our own operations via increased use of renewable energy and have a relentless focus on energy efficiency. We are also helping consumers reduce their own emissions through our efforts to convert more machine-washing loads to low-energy cycles.

In 2018, we further strengthened our long-term commitment by announcing two new goals as part of our Ambition 2030 framework:

- We will reduce our Scope 1 & 2 greenhouse gas emissions by 50% on an absolute basis by 2030 (vs. 2010 baseline). This is our second science-based target and complements our initial science-based target of a 30% reduction in Scope 1 & 2 emissions by 2020.
- We will purchase 100% renewable electricity in North America by 2020 and globally by 2030. These targets will further advance our efforts to increase our use of renewable energy.

Please click on the links below to learn more about our climate change efforts:

GREENHOUSE GAS EMISSIONS

RENEWABLE ENERGY

ENERGY CONSERVATION

LOW-ENERGY WASHING

For more information, read our climate change policy.

CLIMATE CHANGE POLICY

For additional perspective on climate change implications that could be relevant for the Company and the steps we are taking to address them, please download our climate change perspective document.

CLIMATE CHANGE PERSPECTIVE

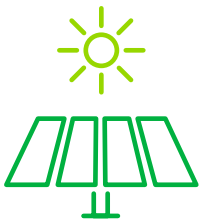
Greenhouse Gas Emissions

Scope 1 & 2 GHG Emissions

In 2018, we made another significant step on our journey to reducing greenhouse gas (GHG) emissions with the announcement of Ambition 2030. We have committed to cutting our absolute GHG emissions in half between 2010 and 2030. This was verified by the Science Based Targets Initiative as a goal that is in line with what leading climate scientists state is necessary to prevent global warming from increasing two degrees Celsius versus pre-industrial era temperatures. We are members of the World Wildlife Fund (WWF) Climate Savers program and worked in collaboration with WWF to develop this key milestone target.

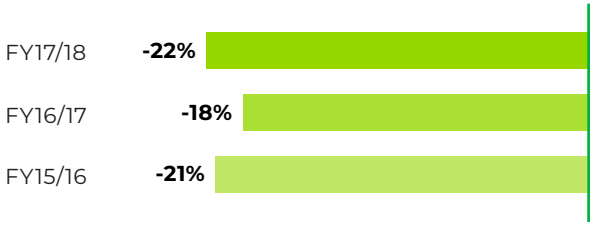
SCIENCE BASED TARGETS ↗

Cutting our Scope 1 & 2 GHG emissions in half is a stretching target, and there is a great deal of work to do. The foundation of our program will continue to reside in improving energy efficiency. However, efficiency improvements alone will not be sufficient to achieve an absolute 50% reduction as we continue to serve the needs of a growing consumer population. To meet this target, as part of our Ambition 2030 goals, we have committed to obtain 100% of our purchased electricity from renewable sources by 2030. Moving to renewable sources of electricity will eliminate most of our Scope 2 emissions.

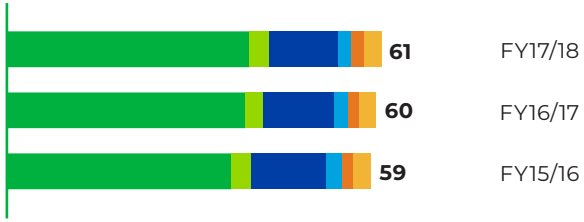


Our move to purchasing 100% of our electricity from renewable sources will eliminate most of our Scope 2 emissions.

Reduction in Energy Consumption
Percent reduction versus FY09/10, production adjusted



Energy Consumption by GBU
Millions of gigajoules

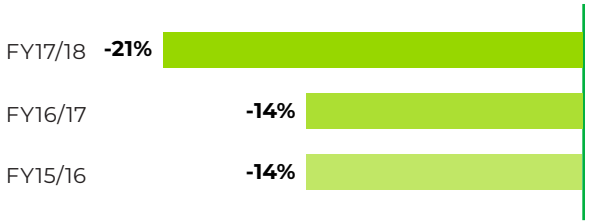


P&G has retained Lloyd's Register Quality Assurance (LRQA) to provide independent verification of our GHG program to ensure it meets the intent of the World Resources Institute/World Business Council for Sustainable Development (WRI/WBCSD) GHG protocol.

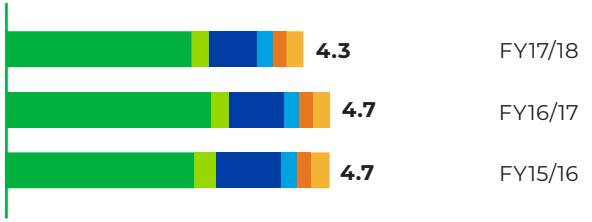
Lloyd's Register LRQA

LLOYD'S REGISTER QUALITY ASSURANCE ↗

Total Greenhouse Gas Emissions (Scope 1 & Scope 2)
Percent reduction versus FY09/10, absolute



Total Greenhouse Gas Emissions (Scope 1 & Scope 2)
Millions of metric tons



- Baby, Feminine & Family Care
- Beauty
- Fabric & Home Care
- Grooming
- Health Care
- Other

Greenhouse Gas Emissions

Scope 3 GHG Emissions

Over the last two years, we have expanded our estimates for Scope 3 emissions to include all major reporting categories. This updated data is included in the table to the right. We derived this data from lifecycle assessments that we have completed for our major categories as well as other sources such as employee travel miles. This exercise reinforced that the "use phase" of our products, especially those that use hot water during consumer use, is our single greatest opportunity for Scope 3 emissions.

As noted in the table, some data was derived in FY15/16 and was based on Life Cycle Assessment data. We do not expect large changes in these numbers from year to year, and it is clear from the data that the product use phase is the overwhelming majority of Scope 3 emissions. We intend to update Scope 3 emissions in next year's report.

Scope 3 Categories	Tons CO_2e
Purchased goods and services—upstream transport & distribution	**8,560,000**[*]
Capital goods	**246,508**[†]
Fuel & energy activities	**495,398**[†]
Waste generated in operations	**9,035**[†‡]
Business travel	**100,000**[*]
Employee commuting	**117,412**[†]
Upstream leased assets	Not material
Downstream transport & distribution	**3,195,000**[*]
Processing of sold product	Not material
Use of sold product	**186,500,000**[*]
End of life treatment of sold product	**10,950,000**[*]
Downstream leased assets	Not material
Franchises	Not material
Investments	Not material

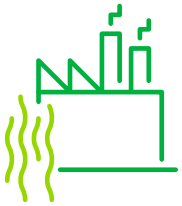
[*]FY15/16 estimate
[†]FY16/17 estimate
[‡]Scope limited to material sent to landfill

Renewable Energy

We continue to look for unique global projects and partnerships that will allow us to source 30% of our total energy, both thermal and electric, from renewable sources by 2020. Currently 14% of our energy comes from renewables, and we are on track to meet our 2020 target.

As part of our new Ambition 2030 we have set a stretching new vision of purchasing 100% renewable electricity by 2030 for our global facilities. To jumpstart this program, our team is looking to reach 100% renewable electricity in North America by 2020 (10 years ahead of our global commitment). North America is P&G's largest consumer market. Purchasing 100% renewable electricity will allow our consumers to know that the brands they have come to know and trust for superior performance and value are also being made at sites that purchase 100% renewable electricity.

Our wind farm in Texas (which provides 100% of the electricity needed for our Fabric and Home Care facilities in the U.S. and Canada to produce brands like Tide, Downy, Cascade and Mr. Clean) and an onsite combined heat and power biomass facility in Georgia (which provides 100% of the steam needed to make Bounty and Charmin) continue to remain the shining stars of our renewable energy program. These large-scale partnerships, along with multiple smaller global onsite/offsite projects utilizing solar, geothermal and hydro, have provided key learnings and the foundation for our vision to use 100% renewable energy.



The biomass facility in Georgia provides 100% of the site's steam needed to make Bounty and Charmin.

P&G will use 100% renewable electricity by 2020.



Energy Conservation

We continue to make solid progress in reducing our energy footprint. We have improved energy efficiency by 22% since 2010, achieving our 2020 goal several years early.

The strengths of our energy program rest on three key strategies:

1. Operating with zero losses or defects
2. Investing in new technologies to improve efficiency and deliver savings
3. Leveraging Total Employee Ownership

We have an Energy Team that delivers tools and systems integrated with our manufacturing work systems to reduce losses and continuously improve operating efficiency. We continue to focus on enabling our people to identify and quickly eliminate losses in energy consumption. We are also benchmarking efficiencies internally and externally to determine where we can invest in new technologies to improve base operating efficiencies. It's because of these efforts we have improved energy efficiency by 22% since 2010 which has resulted in hundreds of millions of dollars in direct savings and reduced emissions.

A good example of how we bring this to life is at our Louveira plant in Brazil. The plant expanded the loss elimination culture by creating a Sustainability Committee that targeted consumption, reduction and responsibility in each footprint area including energy. The team is made up of employees across all departments and uses the power of Total Employee Involvement to speed up identification, quantification and solutions. Because of the dedicated focus of the team, they were able to analyze data from their operations and implement several projects improving their efficiency. This includes improvements in shutdown practices, roof materials, integrated cooling system controls, vacuum system improvements and drive system efficiencies. Overall, the site has increased energy efficiency 51% since FY 09/10.

Energy Success Stories

Mechelen Plant, Belgium
Another example of these focused efforts can be seen at our Mechelen plant in Belgium. The site energy team developed an action plan to improve the energy efficiency of making automatic dish washing pods delivering a 22% reduction vs. the same six month period the previous year.

The key areas where they drove efficiency improvements were regular air leak and defect audits, improved production throughput, focused shutdown practices and improved process settings on their air handling systems.

"Our site continues to produce high quality product to delight consumers with a reduced environmental impact, contributing to the conservation of natural resources."

– Niels Jacobs, Site Energy Leader

Baddi Plant, India
We installed an innovative new heat pump at our Gillette blades and razors plant in Baddi, India. This allowed the site to save money and exceed goals on energy efficiency improvements and GHG reductions.



Our Louveira plant in Brazil improved their efficiency reducing emissions and saving millions of dollars.

Amiens Plant, France
At our Amiens site in France, where we produce our Ariel, Lenor and other Fabric Care products, we installed electric heat pumps to provide indoor heating and eliminated the need for additional steam generated from fossil fuels. Because this plant uses 100% renewable electricity, the electric heat pumps help reduce our GHG emissions.

Low-Energy Washing

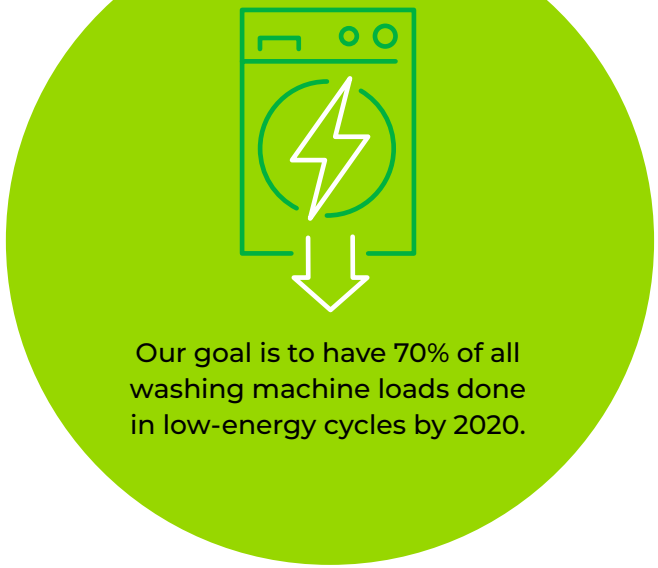
The energy used during the machine washing of laundry is one of the biggest impacts on our corporate GHG emissions footprint and, as such, we have been focused on innovating to enable consumers to get clean clothes using less energy. Our goal is to have 70% of all global washing machine loads done in low-energy cycles by 2020. This year, we are at 69% thanks to consumer habit changes in machine technology and innovation that gets clothes clean in cold conditions.

Innovating to Get Clean in Cold

We continued to innovate all our detergent formulas for best performance in low-energy cycles. In North America, this year we further increased sales of Tide HE Turbo, which is specifically designed to perform well in the strongly growing segment of HE machines and shorter washing conditions.

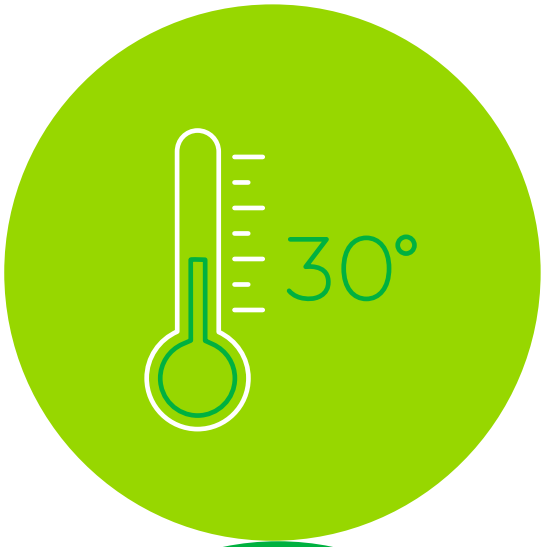
We introduced a new enzyme into our Tide detergents that we co-developed with Novozymes. This amylase enzyme is specifically designed to work well in low temperatures—meaning it can work quickly to attack tough stains in even the coldest washing conditions. More than 40 specialized scientists from around the globe worked for nearly two years, applying leading techniques in enzyme optimization, including 3D computer modeling, advanced data analytics and high throughput robotic systems to evaluate hundreds of thousands of enzyme molecules. This process continued until the team finally identified a winning enzyme that could perform in both cold and quick conditions. “Arctic,” as this enzyme is named, is inspired by the frigid and challenging conditions of the arctic waters and tundra. Arctic is a fast and efficient, biodegradable cold-water enzyme, making it perfect for use in Tide.

We partnered to create a new enzyme specifically designed to work well in low-temperature washing.



Our goal is to have 70% of all washing machine loads done in low-energy cycles by 2020.

Low-Energy Washing



Our “Turn to 30°” campaign asked people to make pledges to turn down washing temperatures to 30° to reduce their energy consumption.

Steps in the Right Direction

With a strongly growing high-efficiency washing machine segment in North America, we focused particularly on ensuring that HE machine users have the best possible outcome in energy-efficient cycles through Tide HE Turbo Clean and education on the use of quick and cold cycles.

We also continued to grow and support our plant-based laundry detergent, Tide purclean, which offers great cleaning performance even at low temperatures. Tide purclean is USDA-certified bio-based and has 4x the cleaning power of the leading natural detergent.[1] Due to its ‘no compromise performance’, it was recently awarded the Environmental Leader’s Product of the Year.

Ariel has been at the forefront of driving consumer behavior change when it comes to washing at cold temperatures with our long-running ‘Turn to 30°’ campaign. It was why, this year, Ariel partnered with WWF UK to encourage people to make a promise for the planet in line with Earth Hour. People were asked to make one of seven pledges to protect the planet, one of which was “turn down washing temperatures to 30°.”

For every pledge made with #PromiseForThePlanet and #EarthHourUK, Ariel donated one euro to WWF UK. Across March and April, the campaign reached more than 326 million people, and WWF UK saw more than 58,000 pledges made across the country. Almost a quarter of these pledges were to turn down washing temperatures to 30°.

As in previous years, we continue to partner with top washing machine manufacturers globally to help educate consumers about the benefits of quick and cold water washing cycles and will again reach about 18 million households next fiscal year.

We believe low-energy cycles are not only a win for the environment but a win for consumers, since colder, shorter cycles mean saving on energy bills and reducing damage to clothes from long, high-temperature cycles. While there will always be some loads washed at higher temperatures, we expect the trend towards more energy-efficiency cycles to continue over the coming years. Given that, we will remain focused on enabling consumers to adopt more sustainable, low-energy washing habits without compromising on the clean they need.

[1] One dose Tide purclean vs. four doses leading natural detergent.

Renewable Materials

We are continuing our efforts to develop the ability to replace our top fossil-derived materials with renewable materials. We have identified cleaning agents, resins and acrylates as our top fossil-derived materials. We have previously reported on establishing our ability to replace resins and cleaning agents with renewably-derived materials. We have now established this capability for acrylates.

Acrylates are a key constituent of the superabsorbent materials used in our absorbent hygiene products. We have developed two technologies to produce renewable superabsorbent polymers from lactic acid which have identical properties as fossil-derived superabsorbent polymers. These patented technologies have been demonstrated at lab scale, and we are currently seeking to license these technologies to external parties with hopes of enabling production and commercialization at scale.

Now that we have achieved our goal, we will look for opportunities to utilize these materials as cost and scale permit. Two examples of our use of bio-resin are highlighted to the right.

Tampax and Pampers

Tampax recently launched a 90% plant-based plastic tampon applicator on its Cotton Comfort line in France and Pure & Clean line at Target (U.S.). This innovative material is made from sustainably-sourced sugarcane from our supplier Braskem® in Brazil. P&G also sources this bioplastic for use in Pampers Pure. The sugarcane is converted into ethanol and eventually into plastic utilizing a by-product from the rest of the plant to provide some of the energy needed to fuel this process.

The sugarcane is certified to the Bonsucro® standard, which has a mission to ensure that responsible sugarcane production creates lasting value for people, communities, businesses, economies and ecosystems. Also, the "I'm Green™" bioplastic production processes are certified by International Sustainability and Carbon Certification (ISCC Plus), an international certification system for biomass and sustainable fuels that sets specific production standards.

The sustainable innovations in Tampax and Pampers to include sustainably sourced bio-materials supports our 2020 goal to "develop the capability to replace petroleum-derived raw materials with renewable materials as cost and scale permit." The use of sustainable bio-polyethylene from sugarcane is the result of years of research and partnership with World Wildlife Fund, the Bioplastic Feedstock Alliance and other research partners.



TAMPAX Pampers

After years of research, Tampax and Pampers use sustainably sourced bio-polyethylene from sugarcane.

Packaging

Reduce Packaging By 20% Per Consumer Use

Our goal is to reach 20% reduction per consumer use in packaging, and this year we were able to achieve a slight increase of 0.5% against our goal despite significant external headwinds impacting our results. We have now achieved a reduction of 13.5% vs. our 2010 baseline. The primary challenge we face in this area is customer requests for smaller case counts which require an increase in our use of corrugate (shipping boxes). Corrugate is renewable, has a high recycle content and is recycled at a high rate—all of which help to mitigate impacts from increased use of corrugate. While we are proud of the significant reduction in packaging we have achieved so far and will continue our efforts to reduce even further, current headwinds are such that it will be very difficult for us to achieve our original target by 2020.

Double the Use of Recycled Resin in Plastic Packaging

We have committed to double the use of recycled resin in our plastic packaging. This year, we used approximately 38,100 metric tons of post-consumer resin (PCR) in our plastic packaging, which represents an increase of approximately 46% vs. baseline. Our goal is to get to 52 kiloton of recycled resin, and we have identified several projects that we believe will help us deliver our goal. We are currently working with our business units to ensure we have adequate time to execute the needed projects by 2020.

Ensuring 90% of Our Packaging is Recyclable or There Are Programs In Place to Develop the Ability to Recycle It

For FY17/18, 86% of our packaging is considered recyclable, and we are working hard to continue to optimize the designs and advance the recycling infrastructure. We continue to expand many of our brand programs, including the shrink sleeve wrap for Lenor in the UK and Air Care recyclability program with TerraCycle, for example. A new program was announced this year, Materials Recovery for the Future, that has the potential to introduce new materials into the recyclability stream. We are also encouraging consumers to increase recycling of our packaging by expanding use of the How2Recycle label across our brands in North America.

During FY17/18, our use of plastic packaging was approximately 55% polyethylene, 15% polypropylene and 10% PET. The remainder consisted of mixed and other plastics. During FY18/19, we will continue our efforts on the goals listed above and will be developing additional perspective on our use of plastics which we will share in our next report.



86% of our packaging is considered recyclable.

Packaging



Researchers and P&G's Steve Sikra sort through packaging to be recycled.

Materials Recovery for the Future

We are taking a leadership role working in collaboration with other brands, retailers and recyclers on a research pilot called Materials Recovery for the Future (MRFF). The goal of the pilot is to test the technical and economic feasibility of adding lightweight flexible plastic packaging formats to municipal recycling so that one day consumers can simply place this packaging in their curbside recycling with other recyclables. In 2016 and 2017, we studied how flexible plastic packaging flows in a recycling system, what equipment is most efficient to sort it and what products could be made from the recycled material. We also selected a recycling facility partner—JP Mascaro Sr. and his team at TotalRecycle, a state-of-the-art, family-owned business in Berks County, PA serving municipalities throughout the state.

In 2018 and 2019, we will continue to work with our MRFF partners and JP to upgrade TotalRecycle to sort and bale this packaging as a new recycled feedstock for product manufacture. The data will be available for other communities and facilities interested in upgrading their facilities to recycle flexible packaging.

Pantene Success Story

P&G's Eastern European Team delivered exceptional value via partnership with the Beauty Care Business Unit to reduce waste and improve recyclability. The team replaced plastic gift set trays with pulp trays that were not only made of recycled paper but are also fully biodegradable. This innovation allowed P&G to increase our use of recycled fiber while saving 48,000m3 of water and 960,000 kW of electricity.



Our new pulp gift set trays are made of recycled paper and are fully biodegradable.

Responsible Forestry

Forests are critical to earth's ecosystem and to the plants, animals and human communities that depend of them. The world's forests hold the potential to mitigate some of the most important threats we face, such as climate change, but they remain under pressure from population increases and economic demands. One of the easiest ways to counteract threats to forests is by looking for and purchasing wood products which are sourced from responsibly managed forests and tree plantations.

We are striving to protect and enhance the forests we depend on.

We have maintained our commitments to ending and reversing deforestation by sourcing wood products certified to leading international forest certification standards. Earlier this year, we announced new near- and long-term commitments, included in our Ambition 2030 goals, to protect and enhance the forests we depend on. Specifically, we intend to increase the area of certified forests globally, while working to strengthen leading certification systems. In addition, we will play a leadership role in developing a collaborative science-based Forest Positive approach that supports sustaining and expanding working forests that we and others depend on.

Although we do not own or manage commercial forests, many of our products and packages are dependent on raw materials from forest-based supply chains. Therefore, we play a key role through our procurement and manufacturing practices to ensure the sustainability of the world's forest resources.

Wood pulp for tissue/towel and absorbent hygiene products, wood fibers used in paper packaging, and palm oil for our laundry and beauty products are strategic commodities where our sourcing practices have the greatest impact on ensuring responsible use of the world's forest resources. Each of these materials has a different supply chain and their unique complexities led us to develop individual programs as described in the following sections.



Responsible Forestry

Wood Pulp Supply Chains

Procurement Policy

As part of our procurement practices, we require that all wood used for pulp supplied to us has undergone a risk assessment in accordance with the Forest Stewardship Council® (FSC®) Controlled Wood standard. The FSC Controlled Wood risk assessments ensure that unwanted wood sources are avoided and that wood harvesting is done legally per our procurement policy. We have a preference for FSC, which makes use of both FSC Chain of Custody (FSC COC) and Controlled Wood (FSC CW) inputs.

We require that the forest certification systems utilized by our wood pulp suppliers adhere to the following criteria for responsible forest management:

- Ensure the safety of forestry and manufacturing operations for employees and the environment.
- Ensure that unwanted wood sources are avoided and that wood is legally harvested and that all legal requirements are met. P&G will not knowingly use illegally sourced materials in our products.
- Ensure that their supply chain incorporates the principles of responsible forest management and continuous improvement in their own operations and that they are verified by independent forest and chain-of-custody certification.
- Ensure that trees are not harvested from high-conservation-value forests unless they are credibly certified to the most rigorous forest management standards. P&G supports multi-stakeholder efforts to develop information sources and tools that will help suppliers identify these areas on their own forestlands and in their procurement of wood raw materials from third parties (e.g. www.hcvnetwork.org).
- Ensure that there is no sourcing from genetically modified trees in pulp delivered to us.
- Ensure that their own and their supplier practices reflect our social values and support of universal human rights through work with local governments and communities to improve the educational, cultural, economic and social well-being of those communities.
- Ensure that their supply chain used to produce our pulp does not contain fiber from conflict timber (timber that was traded in a way that drives violent armed conflict or threatens national or regional stability).

PROCUREMENT POLICY ↗

Third-Party Certification

100% of the virgin wood pulp we purchase for use in our tissue/towel and absorbent hygiene products is third-party certified by one of our accepted forest certification programs.

We give preference to FSC® certified pulp when it is available and meets product performance and business requirements. FSC certification protects water, wildlife and local people by ensuring forests are responsibly managed. FSC standards are recognized worldwide as the most stringent forest management certification scheme and are supported by leading international environmental NGOs.

Based on the market availability of certified pulp, P&G's supply chain will also source from other third-party forestry certification systems. They include:

- Programme for the Endorsement of Forest Certification (PEFC)
- Sustainable Forestry Initiative® (SFI)
- Brazilian Forest Certification Programme (CERFLOR)
- Canadian Standards Association (CSA) Group
- Sustainable Forest Management System (SFM)

FSC
www.fsc.org
FSC™ C100701
The mark of responsible forestry

We prefer FSC certified pulp because the certification ensures forests are responsibly managed.

Responsible Forestry

Pulp for Our Tissue/Towel and Absorbent Hygiene Products

In fiscal year 17/18, we purchased 1.5 million metric tons of air-dried pulp for use in our tissue/towel, diaper and absorbent hygiene products. The pulp was sourced from the following countries and used the following third-party certified fiber:

Country of Origin	% of Total
Argentina	1%
Brazil	34%
Canada	33%
United States	32%
Total	100%

Certification System	% of Total
FSC COC	37%
FSC CW	7%
PEFC	30%
SFI	26%
Total	100%

FSC COC—FSC Chain of Custody
FSC CW—Controlled Wood

Working Together to Make a Difference

P&G is a proud participant in World Wildlife Fund's (WWF®) Global Forest & Trade Network (GFTN), a corporate forum for supporting responsible forest management and forest product sourcing.

Many of our projects and activities are inspired by our commitments as participants in GFTN such as:

- Continuing to implement our preference for FSC certification, including overall volume increases in FY17/18.
- Continuing support for efforts to expand group certification for family forest owners in the U.S. with Domtar.
- Progress in the Coastal Carolinas landowner outreach project.
- P&G's efforts at Tissue 2017 Conference & Expo to convene discussions with other companies and NGOs about sustainable forestry and Caribou issues in Canada.

We are a proud participant of WWF's Global Forest & Trade Network, working with partners that support responsible forest management.

FSC Group Certificate Support

In 2016, P&G met with the Four States Timberland Owners Association (FSTOA), led by Domtar, to discuss expanding the amount of timberland that is under forest management certification.

FOUR STATES TIMBERLAND OWNERS ASSOCIATION ↗

Together, we are committed to lowering the technical and financial hurdles to increasing forest certification in family-owned forests through Domtar's FSTOA FSC group certificate.

Our participation supported the growth in certified lands, and we continue to support the operation and expansion of the association. The FSTOA is now working towards having 600,000 acres of timberland under FSC group certification.

P&G's Charmin toilet tissue and Puffs facial tissue products are FSC certified by Rainforest Alliance.

Responsible Forestry



By 2020, 100% of our paper packaging will contain either recycled or third-party-certified virgin content.

Carolinas Working Forest Conservation Collaborative Update

In May 2016, we helped launch the Carolinas Working Forest Conservation Collaborative (CWFCC), a collection of organizations led by the American Forest Foundation working together to help family forest owners manage their land sustainably.

The current project area consists of 5,946,494 acres, almost three times larger than our original goal of 2.4 million acres. Because of the early success of the program, all the original goals have been expanded. For example, the project is now looking to reach out to almost four times as many forest owners and directly engage twice the number of forest owners in workshops and field days to increase knowledge of forest stewardship and practices.

We are pleased with the early success of the program which enjoys the direct support of more than 20 leading international, national and regional conservation organizations.

Paper Packaging

We continually strive to optimize the design of our packaging aiming to use the least amount of material, while ensuring adequate protection, delivery and safe use of our products. As part of our ongoing efforts, we continue to identify source reduction opportunities to decrease overall material usage and to use recycled paper when it offers the best option to meet performance and business requirements.

Our paper-based packaging is derived from wood fiber, and we have a responsibility through our procurement practices to ensure that the wood fiber in our packaging has been responsibly sourced. We have made a specific commitment that by 2020, 100% of our paper packaging will contain either recycled or third-party-certified virgin content. Over the last year, we have expanded our efforts to collect data from an increased number of suppliers to assess progress against this goal. This year, we have received data from more than 100 suppliers that represent more than 95% of our global paper packaging spend. This data, which was self-reported by our suppliers, is summarized in the following table:

Total volume in metric tons	**~700,000**
% Recycled	**85%**
% Virgin	**15%**
% of virgin fiber that was third-party-certified	**91%**
% of total recycled or third-party-certified virgin	**98.5%**

This year, 98.5% of the volume reported by our suppliers was either recycled or third-party-certified virgin content. That means less than 2% of the reported volume was virgin material that was not third-party-certified. We also experienced a 12% reduction in the total metric tons because of initiatives to reduce our overall use of paper board. Over the course of the next years, we will remain focused on working with our suppliers to get to our goal of 100%.

Palm Oil

Palm Oil (PO) is an important, versatile and highly efficient vegetable oil that is used as a raw material by both food and non-food industries. In some regions of the world, the rapid expansion of PO production has threatened environmentally sensitive areas of tropical forests and peat lands and has resulted in incidents where the rights of independent smallholder farmers and indigenous peoples have been infringed.

We are committed to ensuring that our sourcing of palm oil does not contribute to deforestation and respects the rights of workers and indigenous peoples. We are members of the Roundtable on Sustainable Palm Oil (RSPO) and support their standards to drive responsible palm practices across the industry. In addition, we have established a robust approach to ensuring the responsible sourcing of palm-derived materials which includes supplier management, improving lives of smallholders and industry influence.

RSPO
Roundtable on Sustainable Palm Oil

Palm Oil Procurement Policy

P&G is committed to ensuring our suppliers meet RSPO Principles and Criteria (P&C) and have the necessary policies and procedures in place to ensure:

- No development of high-conservation-value (HCV) areas and high-carbon-stock* (HCS) forests
- No new development of peat lands regardless of depth
- No burning to clear land for new development or replanting
- Compliance with P&G's existing Sustainability Guidelines for External Business Partners
- Respect for human and labor rights
- Respect for land tenure rights, including rights of indigenous and local communities to give or withhold their free, prior and informed consent for development of land they own legally, communally or by custom.

All of our suppliers have submitted their relevant policies and procedures to demonstrate how they will meet our requirements. If we find a supplier is violating any of the above requirements, and if that supplier does not acknowledge and take action to resolve the concern, P&G will suspend or eliminate palm oil purchases from that supplier. A supplier would need to have a documented action plan and demonstrate meaningful progress to be considered for reinstating supply agreements.

*The High Carbon Stock Approach (HCSA) Toolkit should be applied to identify and conserve HCS forests. We have been supporting inclusion of HCSA to the 2018 RSPO P&C and are expecting to incorporate the revised P&C for verifying our commitments.

We are working with our palm oil suppliers to ensure responsible sourcing.



Palm Oil



This year, we seeked to gain a better understanding of drivers of land use planning within the palm industry.

Progress

During FY17/18, key milestones included:

Greatly increased transparency of our supply chain by publishing both palm oil supplier names and a detailed list of the palm oil mills in our supply chain.

PALM OIL MILL LIST

Maintained 100% RSPO certification for palm oil/palm oil derivatives and continued to make progress in our efforts to source 100% of our palm oil as RSPO Segregated (SG) by the end of 2018. We remain on track to hit that goal and are developing plans to procure 100% of our palm oil derivatives as RSPO SG by the end of 2020.

Completed a comprehensive palm oil mill risk assessment to understand which palm oil mills in our supply chain are located in areas considered to be high-risk. Roughly ~7% (~90 mills) were found to be in high-risk locations, and during FY18/19 we will focus on developing additional verification programs for these sites.

Continued to play a leadership role in multi-stakeholder discussions seeking to advance a consensus approach to assessing High Carbon Stock areas via our participation in the High Carbon Stock Approach Steering Group.

Announced a major commitment as part of our Ambition 2030 program to significantly scale our smallholder program which is focused on improving the livelihoods of the smallholder farmers in our supply chain.

Explored key drivers of land use planning to help us prioritize our efforts. You can read key learnings from that exercise here.

DRIVERS OF LAND USE PLANNING

You can read more about the detailed progress in each of our three pillar areas by clicking on the links below.

PILLAR I: SUPPLIER MANAGEMENT

PILLAR II: SMALLHOLDERS

PILLAR III: INDUSTRY INFLUENCE

Palm Oil

Pillar I: Supplier Management

Palm Oil

We use ingredients derived from palm oil and palm oil derivatives in Beauty Care and Fabric Care products. Our major PO and POD suppliers are Wilmar, Golden Agri, Musim Mas and Apical.

We are proud of our progress on palm oil and are on target to deliver 100% RSPO SG palm oil by the end of 2018. We're also developing plans to move our palm oil derivatives to RSPO Segregated (SG) by the end of 2020. Until that time, we will maintain our palm oil derivatives to be RSPO Mass Balance (MB) Certified. Our ability to achieve that may be influenced by broader market dynamics and supply availability, but we have already engaged with our suppliers on plans to achieve this goal. This is consistent with our belief that it is the demand for palm oil that is driving forest conversion and peat land pressures, and the greatest impacts can be achieved by industry placing a disproportionate focus on driving sustainable palm oil production practices across all categories and regions that use palm oil.

	Metric Tons*	RSPO Certified (%)	RSPO MB Certified (%)
Palm Oil/Palm Oil Fractions	**55,834**	**100%**	**94%**
Palm Oil Derivatives	**64,263**	**100%**	**95%**

*This represents the total volume of PO and PO derivatives purchased by P&G. Approximately 95% of this is used internally by P&G brands. The remaining 5% is sold to external parties through our P&G Chemicals division

Palm Kernel Oil

We use ingredients derived from palm kernel oil and palm kernel oil derivatives in some Fabric Care, Home Care, Hair Care and Beauty Care products.

Thanks to a unique partnership with the Malaysia Institute for Supply Chain Innovation and FGV, our single largest PKO supplier, we have gained significant visibility to the sourcing plantations and regions of FGV's PKO supply chain. In fact, we now know that about 96% of our palm kernel oil was sourced from a known subset of FGV's palm oil mills. FGV is currently on a glidepath to re-certify their mills which voluntarily withdrew their RSPO certification in 2016. As FGV progresses their recertification efforts, our percentage of RSPO MB certified PKO will increase. This glidepath should drive our RSPO certification levels for a year-on-year increase in certified PKO. Given the complexity of the PKO supply chain and a lack of supply of physically certified PKO, our commitment is to work with our PKO suppliers to aggressively drive year-on-year increases in the percent of physically certified RSPO PKO we buy. We are also focusing our smallholder efforts on our PKO supply chain as we know we have a large concentration of smallholders in our Malaysian PKO supply chain. You can read more about those efforts here:

PILLAR II: SMALLHOLDERS

	Metric Tons*	RSPO Certified (%)	RSPO MB Certified (%)
Palm Kernel Oil	**317,796**	**5%**	**5%**
Palm Kernel Oil Derivatives	**72,164**	**0%**	**0%**

*This represents the total volume of PKO and PKO derivatives purchased by P&G. Approximately 65% of this is used internally by P&G brands. The remaining 35% is sold to external parties through our P&G Chemicals division

Palm Oil



This year, we conducted a risk-assessment on all 1,269 palm oil mills in our supply base to identify mills at a high deforestation risk.

Pillar I: Supplier Management

Risk Assessment and Verification

We expect all suppliers (including their third parties) to fully comply with our Responsible Sourcing policy and will act swiftly to address any allegations of non-compliance. To help inform our efforts on verification of compliance, in FY17/18, we conducted a risk assessment using the PALM Tool (Version 2: Updating the PALM Risk Assessment Methodology. Sargent et al., publication forthcoming) on the World Resources Institute's (WRI) Global Forest Watch Pro (GFW Pro) to identify palm oil mills in our supply base that are at a high risk based on presence of deforestation risk factors in the area surrounding the mill. We assessed 1269 mills and identified ~90 (~7%) as high risk. The majority of these (>85%) were third party mills used by our direct suppliers.

Focus Areas for FY18/19

Concession Maps: We believe that increased transparency on concession maps is an important part of enabling verification and holding suppliers accountable for any violations of their palm policies. We require all direct suppliers to be RSPO members. As a result, they are required to publish concession maps for their own lands. In FY18/19, our objective is to work with our direct suppliers to have concession maps of indirect third-party suppliers also published. As a first step, we have asked our suppliers to identify any existing barriers to the publication of concession maps so that we can work with our suppliers and other relevant stakeholders to find solutions for those barriers.

Verification: We will focus our verification efforts on sourcing areas characterized as high risk per our palm oil mill risk assessment process. We will work with relevant suppliers to ensure verification of Responsible Sourcing requirements for high risk locations. As a first step, we will assess the sufficiency of current verification process of all suppliers. Based on those findings, we will develop a glidepath and process for verification of high-risk locations in consultation with relevant suppliers to ensure we have an optimized process that avoids duplication of effort.

Palm Oil





Pillar II: Smallholders Program

As per our Ambition 2030 announcement, we have committed to significantly scale our smallholder program. The objective of this program is to improve the livelihood of smallholders while verifying production practices to meet our sourcing criteria. The program focuses on the independent smallholders and small growers in our PKO supply chain that supply fresh fruit bunches (FFB) to FGV mills in Malaysia. There are approximately 30,000 smallholders supplying up to 90,000 mT of PKO into this network, and our target is to enable these smallholders to be at or above the national yield average.

Pilot Results

In FY15/16, we partnered with Wild Asia and Proforest to develop the capability and capacity of smallholders and collection centers in two project sites in Parit Raja and Benut, both located in the western part of the State of Johor, Malaysia. The two project sites covered seven collection centers and 2000 smallholders.

Together with our project partners, we have developed the P&G Responsible Sourcing Criteria Scorecard for Smallholders to assess smallholders against our criteria. The Scorecard covered six P&G palm sustainability policies:

- No development of High Conservation Value (HCV) areas and High Carbon Stock (HCS) forests
- No new development of peat lands regardless of depth
- No burning to clear land for new development or replanting
- Respect for human and labor rights
- Respect land tenure rights, including rights of indigenous and local communities to give or withhold their free, prior and informed consent for development of land they own legally, communally or by custom
- Traceable supply chain

At the end of June 2018, Wild Asia, Proforest and MISI have assessed 560 smallholders against the P&G Responsible Sourcing Criteria for Smallholders. We will use the learnings from these initial pilots to help us scale our efforts.

P&G Oil Palm Data Warehouse

Developing full traceability to smallholder farms and growers is an important enabler towards ensuring sustainability of P&G's complex PKO supply network. To achieve this, we partnered with MIMOS, Malaysia's national Applied Research and Development Center, to develop the P&G Oil Palm Data Warehouse. The Data Warehouse is capable of securely storing and analyzing data collected by our project partners to turn them into useful and actionable information. The Data Warehouse will also be Blockchain-enabled, and we plan to test this with a group of smallholders and collection centers' dealers.

MIMOS

We partnered with MIMOS of Malaysia to create a Palm Oil Data Warehouse to store and analyze data from our project partners.

Our initial work with MIMOS has showed that our PKO supply network can already be fully traceable to the collection centers which is one step upstream from the mills and one step downstream from smallholder farms and growers. A collection center (also referred as FFB dealers) is a place where smallholders sell their FFBs before being transported to mills. By developing traceability to collection centers, we will be able to utilize geospatial technology to understand the environmental landscape within a 10–30 KM radius enabling us to prioritize key collection centers for our smallholders program. We plan to complete this traceability exercise before the end of FY18/19.

Palm Oil

Pillar II: Smallholders Program

Scaling Efforts: Development of Learning Farms
We are partnering with International Plant Nutrition Institute (IPNI) in a multi-year agreement to develop up to 75 core innovator farms and 165 primary innovator farms (together termed as learning farms) by 2020 with the objective of improving the livelihood of smallholders in the P&G palm supply chain in Malaysia. The program will focus on our current project sites in Johor and will provide sustainable intensification of oil palm for independent smallholders in Johor, Malaysia. The program will focus on increasing FFB yield by enabling farmer access to knowledge about crop and nutrient best management practice.

This program has the objective of improving the yields by 30–50% and will drive both livelihood income and ensure sustainable practices in the P&G supply chain.

Smallholder Objectives for FY18/19
During FY18/19, we will work to achieve the following objectives:

1. Expand the project sites from seven to 32 collection centers and ~8000 smallholders in Johor and develop full traceability to collection centers
2. Develop the first 15 core innovator farms
3. Partner with NGOs and universities to develop standardized sustainability training modules and develop a strategy to reach and train up to 1000 smallholders

Pillar III: Industry Influence

As a member of the High Carbon Stock Approach Steering Group (HCSA SG), RSPO's Principle & Criteria Taskforce, RSPO's Smallholder Working Group and RSPO's Human Rights Working Group, we are collaborating to drive harmonized industry approaches that can help advance shared objectives. Below are descriptions of some of the key collaboration areas:

No Deforestation, Peat and Exploitation (NDPE) Policy and the RSPO P&C
Enhancing the RSPO Principal & Criteria (P&C) to better align with current NDPE policies represents a significant opportunity to strengthen the P&C and enable and accelerate industry efforts to verify NDPE compliance. As member of HCSA SG and RSPO No Deforestation Interim Group, we are actively participating in the collaborative effort to incorporate both HCSA and an approach for High Forest Cover (HFC) landscape/ countries into the RSPO P&C. Via the RSPO P&C Task Force and Working Groups, we are helping drive integration of no deforestation, no peat development and the broader human, labor and land tenure rights policies into the RSPO P&C. A revised version of the RSPO P&C are expected to be approved in November 2018.

HCSA HIGH CARBON STOCK APPROACH

As a member of HCSA SG and RSPO, we help drive collaboration between RSPO and High Forest Cover countries.



We are working towards higher standards and harmony across the industry supply chain.

RSPO Smallholder Standard and Inclusion
The new RSPO Smallholder Standard is critical to enabling the RSPO smallholder strategy issued in 2017. As a member of the Smallholder Interim Group, we are contributing to developing an inclusive, engaging standard that will drive stepwise, supported improvement of practice and productivity and livelihood of this key supply chain sector into the RSPO system. We also continue to support the 13th, 14th and 15th RSPO Roundtable Meetings in bringing smallholders from multiple regions to join this learning and sharing event.

We are encouraged by the progress on these important efforts so far but recognize there is still important work to do. We will continue to advance the progress and implementation in support of our commitments and industry common goals.

Water

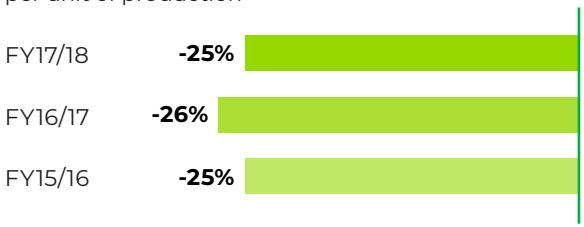
Advancing Our 2020 Water Sustainability Goals

As we approach the end of the decade, we are excited at the progress we've made against our 2020 water goals. While we've already announced our next decade of water goals, we are committed to continuing to work towards achieving all three of our 2020 water goals.

Goal	Progress
Reduce water used in P&G manufacturing facilities by 20% per unit of production versus 2010 with conservation focused on water-stressed regions.	25% water reduction per unit of production, completion of Tier 2 of our Manufacturing Water Risk Assessment process
Provide one billion people with access to water-efficient products.	700 million people with access
Provide 15 billion liters of clean drinking water to those who need it most.	14 billion liters of clean drinking water

Reduction in Water Consumption

Percent reduction versus FY09/10, per unit of production



Water Consumption by GBU

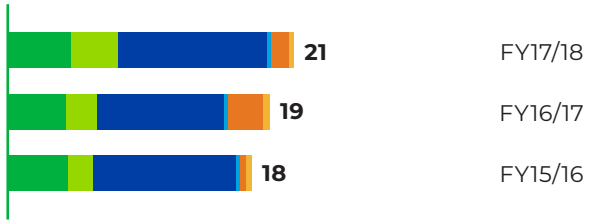
Millions of cubic meters



- Baby, Feminine & Family Care
- Beauty
- Fabric & Home Care
- Grooming
- Health Care
- Other

Wastewater COD* Disposed by GBU

Thousands of metric tons



*Chemical Oxygen Demand

Water

Reducing Water Use and Focusing Where it Matters Most

Water is an essential input at many of our facilities around the world. Creating a culture of water efficiency at our sites has been a priority for our manufacturing teams for more than two decades. Thanks to the work of many employees across our global portfolio, we've been able to reduce our manufacturing water usage by 25% per unit of production since 2010. We continue to exceed our goal of 20% reduction per unit of production and will keep focused on increasing efficiency into the next decade.

In combination with our efficiency work, we've also continued to move through our Manufacturing Water Risk Assessment process which was developed in partnership with the World Resources Institute (WRI) and World Wildlife Fund (WWF). This past year, we completed Tier 2 of our process, which involved working closely with experts at Environmental Resources Management (ERM) to deploy, collect and analyze in-depth site water questionnaires at each of the 40 Tier 2 sites.

After a rigorous scoring and ranking process, we found that 24 of our facilities are exposed to high water risk. These 24 facilities have been moved into Tier 3 of our assessment process. These facilities represent almost every business we operate and span ten unique countries.

P&G Water Risk Assessment Framework

1 Water Risk Screening (Completed)

Identify risk level of sites based on:

- Baseline Water Stress Score—World Resources Institute
- Gross National Income per Capita—World Bank
- P&G Site Water Use per Year—P&G
- Access to Water—WHO/UNICEF



ALL SITES SCREENED
~70% of sites in lower-risk regions

2 P&G Tailored Site Questionnaire (Completed)

Prioritize sites based on outcome of responses

- The P&G questionnaire was built upon the facility questionnaire in WWF's Water Risk Filter



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

3 In-Depth Site Water Analysis (Current Phase)

Prioritize risks for mitigation and develop site water stewardship plans.

- Alliance for Water Stewardship (AWS) International Water Stewardship Standard 1.0 steps 1-3.



PRIORITY SITES FROM 2
~15% of sites will complete the Tier 3 process

Water

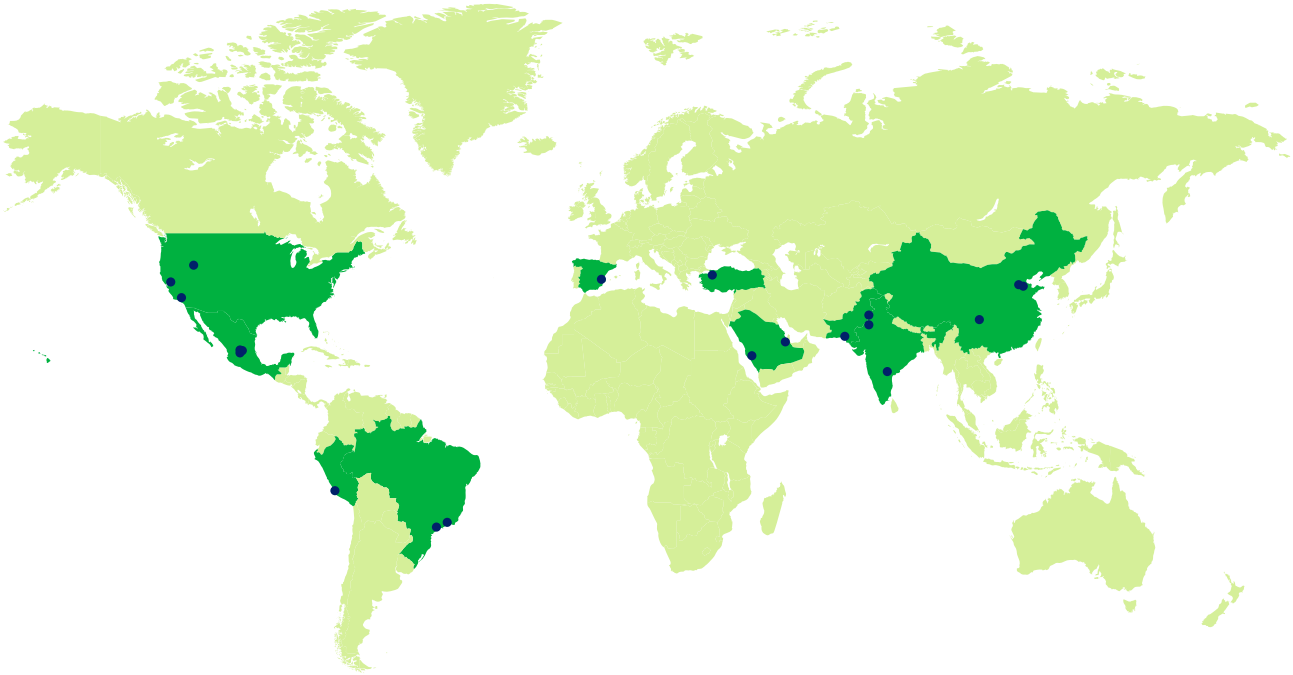
The Alliance for Water Stewardship (AWS) Standard

Each of the 24 Tier 3 facilities will create site water stewardship plans by the end of 2020. They will do this by following steps 1, 2 and 3 of the Alliance for Water Stewardship (AWS) International Water Stewardship Standard 1.0. This standard provides a globally applicable framework for major water users to understand their water use and impacts and to work collaboratively and transparently for sustainable water management within a basin context. The AWS Standard will help each site create plans that address risks both inside and outside their four walls. It will also help to tie site efforts around water to local water challenges that are being experienced by not only the site but also by others in the same basin. This year, we became a member of AWS and are happy to support the work they do to ensure consistency and credible recognition of good water stewardship practices.

ALLIANCE FOR WATER STEWARDSHIP

ALLIANCE FOR WATER STEWARDSHIP

P&G Tier 3 Facilities



Water

Pulp & Paper Water Stewardship

Water has always been an important focus at the manufacturing facilities that produce our Bounty, Charmin and Puffs products. Those sites are building on their long history of compliance and efficiency measures, to a more holistic water stewardship strategy. As part of this strategy, the business acted in two ways: 1. Completed the Alliance for Water Stewardship (AWS) Standard Self-Verification process for a key facility and 2. Embarked on a partnership opportunity with a supplier.



Our family care products are at the forefront of water stewardship in their manufacturing facilities.

The AWS Self-Verification was completed at our Oxnard, California facility, already known across the Company for its impressive water savings and water management strategy in a water-stressed region. World Wildlife Fund (WWF) guided the site through the AWS Standard and enabled greater understanding of risks and opportunities both inside and outside the plant. As of October 2018, the site has declared itself to meet the AWS global standard for water stewardship.

AWS CERTIFICATION ↗

Again, working closely with WWF, we collaborated with our supplier, Fibria, to collect and share our respective water management practices, challenges and solutions to help us, and others in the industry, move beyond compliance and efficiency towards holistic water stewardship. Our findings will soon be shared publicly so others can benefit from our experience.

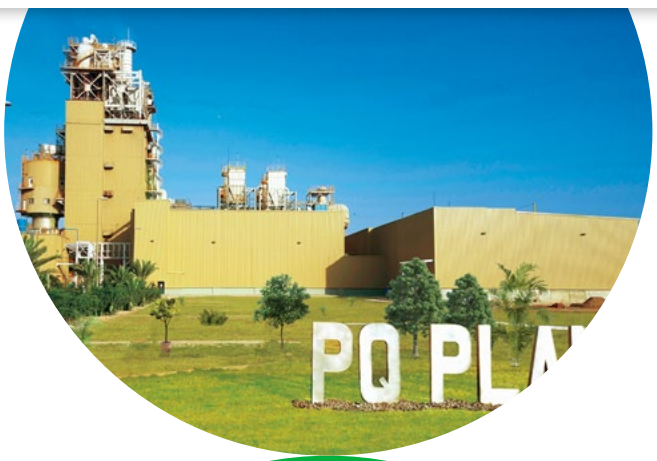
WATER STEWARDSHIP INFOGRAPHIC ↗

Finding Circular Solutions

Our Global Fabric Care business, including brands Tide, Gain, Ariel, Ace and Lenor, has been working hard to reduce fresh water use in their manufacturing plants, thus reducing their impact to their local water basins. The various plants have identified and implemented solutions to reduce water use, including capturing and using rain water and reusing utility reject water that would otherwise go to the sewer. Several Fabric Care plants located in Mexico, Pakistan, Czech Republic and the U.S. have found unique circular approaches to beneficially reuse water from one process as feed water into another process.

A recent circular example is the Port Qasim plant in Pakistan, which is located within a water-stressed region. Since every drop counts, the plant looked for ways to reduce their absolute fresh water intake by reusing the water used to clean and flush holding tanks back into the manufacturing process.

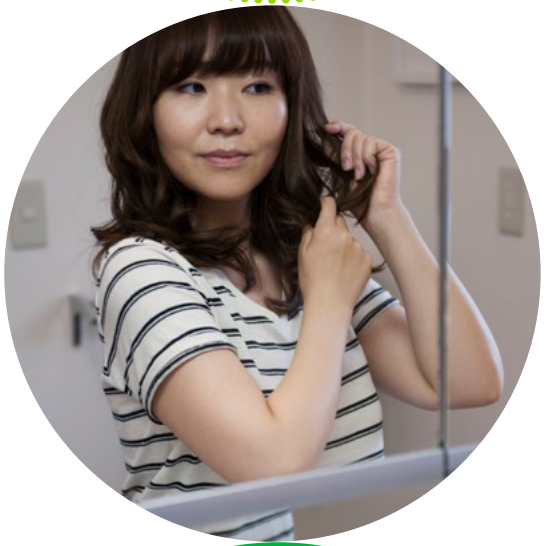
Fabric Care continues to look for new circular water sources to reduce their local water impact.





We implemented solutions to reduce water use, including capturing and using rain water and reusing water from one process into another process.

Water





Our dry shampoos and leave-on treatments help consumers use water more efficiently.

Providing Consumers Access to Water-Efficient Products

Our goal is to provide one billion people with access to water-efficient products by 2020. At the end of FY17/18, about 700 million consumers had access to water-efficient products around the world. This year, we qualified two products that enable women to spend less time in the shower: dry shampoos and leave-on treatments.

Dry Shampoos

In many places around the world, the shower accounts for a large percent of the household's weekly water use. It also adds up to precious hours of time. More and more women are finding ways to extend the time between washes. One way we've enabled them to do this is through our dry shampoos. This product enables consumers to go longer between washes and helps to refresh their hair on days they decide to skip the wash. 50 million people have access to dry shampoos in countries like China, Germany, the U.S. and the UK.

HERBAL ESSENCES DRY SHAMPOO ↗

Leave-On Treatments

We've designed products that enable women to skip the rinse out conditioner step in their shower regimen. This allows them to reduce their time in the shower and save water, while still ensuring they have the silky-smooth hair they desire. 40 million people have access to leave-on treatments across countries like Mexico, China, Brazil, the U.S and the UK.

PANTENE DRY OIL ↗

Clean Water Through Science and Partnership

More than a decade ago, a P&G scientist, in collaboration with the U.S. Centers for Disease Control, invented a 4-gram packet that can transform dirty water to clean, drinkable water in only 30 minutes. Today, with the help of more than 150 partners, this technology is delivering clean drinking water to those who need it most. Our goal is to provide 15 billion liters of clean water by 2020 through our Children's Safe Drinking Water (CSDW) Program. This year, we made progress against this goal and have provided more than 14 billion liters of clean water to people around the world since the program began in 2004.

CHILDREN'S SAFE DRINKING WATER

Waste

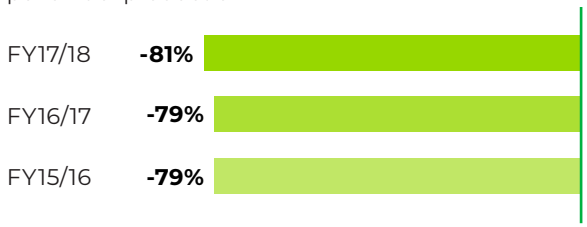
We have a vision that one day zero consumer and manufacturing waste will go to landfill. To help lead the way and demonstrate what is possible, our manufacturing sites are on a mission to get to zero waste to landfill now.

Manufacturing Waste

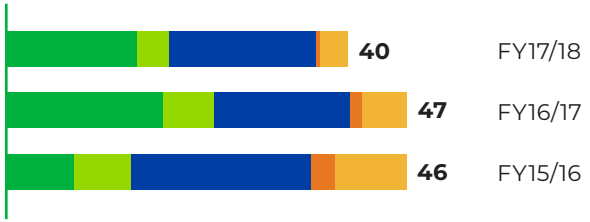
Zero Manufacturing Waste to Landfill (ZMWTL)
We started our Zero Manufacturing Waste to Landfill program in 2008. At that time, it seemed like an impossible dream as our 100+ manufacturing sites were producing more than one million tons of waste per year. What started as a sustainable movement, to see trash 'not as waste, but as worth' has helped transform the way our sites think about raw materials. Waste champions across our manufacturing sites and within our Global Asset Recovery Purchases (GARP) team quickly started to find beneficial uses for our waste. Not only helping avoid landfills but helping generate revenue at the same time. Since 2008, the team has helped save the Company more than $2 billion and has helped divert more than five million tons of waste from the landfill.

Once ~50% of our sites reached ZMWTL (less than two years ago), we decided to look for ways to accelerate our zero-waste journey, setting a stretching target that ALL of our production sites would send Zero Manufacturing Waste to Landfill by 2020. In the last two years, the waste team has made phenomenal progress, with approximately 85% of our facilities currently being qualified as ZMWTL, well on track to meet our 100% goal by 2020.

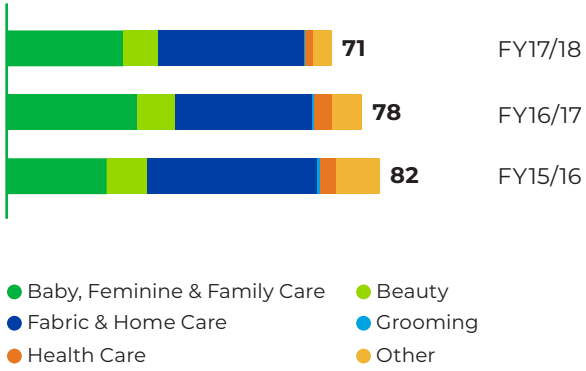
Waste Disposed
Percent reduction versus FY09/10 per unit of production



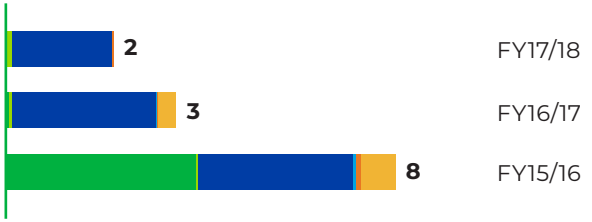
Solid Waste Non-Hazardous by GBU
Thousands of metric tons



Disposed Waste by GBU
Thousands of metric tons



Solid Waste Hazardous by GBU
Thousands of metric tons



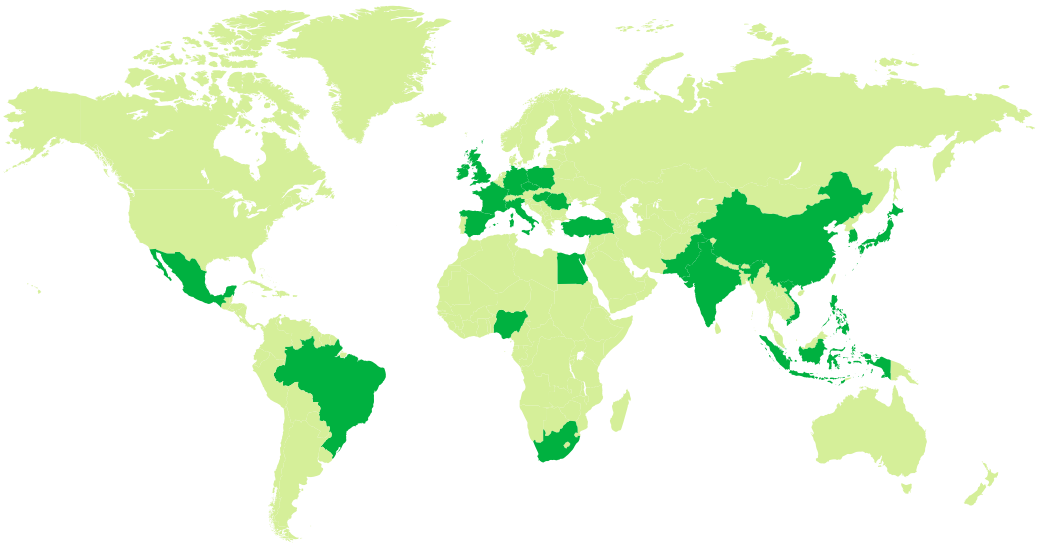
Waste

In addition to individual sites, our waste teams also look for ways to drive ZMWTL across entire business units, countries and regions. This year, our Health Care Business achieved 100% ZMWTL in all their production sites across the globe, joining Fem Care, Oral Care and Grooming in reaching this milestone. Furthermore, our Fabric & Home Care business had a very strong year, going from 50% to 83% of their sites receiving our ZMWTL certification, with 98% of their total waste (production volume) diverted from landfill.

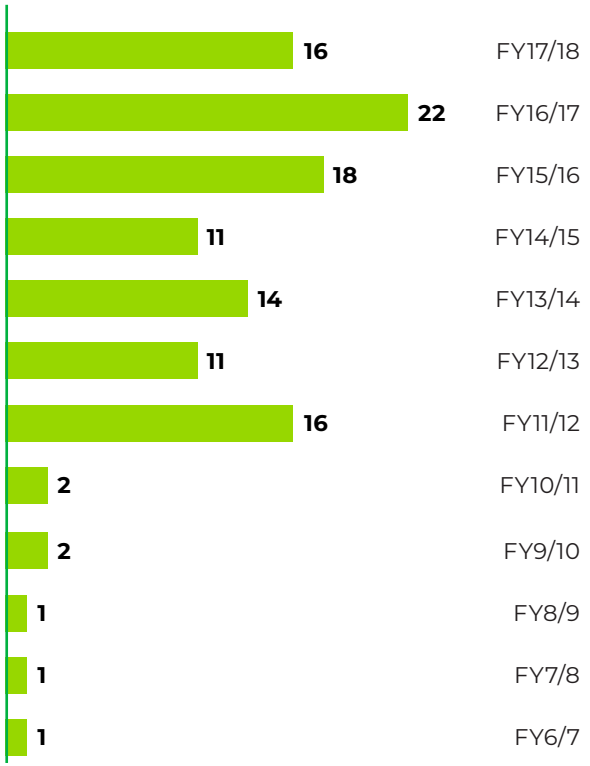
We also have two regions close to 100% ZMWTL, Europe and Asia, and we expect them to reach this milestone by this time next year. In total, we now have 26 countries where all our manufacturing sites have qualified as ZMWTL. This year, we qualified 16 more sites, and in the process, saved the Company millions of dollars.

Countries that are ZMWTL

Belgium
Brazil
China
Czech Republic
Egypt
France
Germany
Hungary
India
Indonesia
Ireland
Italy
Japan
Mexico
Nigeria
Pakistan
Philippines
Poland
Romania
Singapore
South Africa
South Korea
Spain
Turkey
United Kingdom
Vietnam



Zero Manufacturing Waste to Landfill
Sites qualified by FY



Waste

Global Asset Recovery Purchases (GARP)

Our Global Asset Recovery Purchases (GARP) program continues to be a great enabler in our waste efforts as we find innovative ways to reduce waste and disposal costs.

Here are some of the innovative solutions GARP has implemented this year:

- Our Tepejí Plant in Mexico (Baby Care) worked with an external supplier to recover plastic from the diapers production waste and converts it into plastic pellets that are used as primary raw material to make items like buckets, brooms and other plastic-based goods.
- In China, we are beneficially re-using toothpaste as a component for car cleaner, and shampoo/conditioner is re-purposed to help clean pets.
- In Canada, our Belleville Plant (Fem Care) is converting our highly absorbent scrap and process waste into various spill mitigation products.
- In Brazil, our Baby Care Plant in Louveira is converting our diapers production waste into dog hygienic mats, and hair care and detergent production waste are used as a component for car washes.
- Our Oral Care operations are converting toothpaste into car cleaner, toothbrushes and floss into wood plastic composites, and our rinse wash waste is used for biofermentation and plastic recycling industries.

Diaper Recycling

Fater, a Joint Venture of P&G and Gruppo Angelini in Italy, developed a breakthrough diaper recycling technology that recycles used absorbent hygiene products (baby diapers, fem care and adult incontinence products) to create new products and materials of added value.

The technology is now live and operational at industrial scale able to process 10,000 tons of used absorbent hygiene products per year. That corresponds to serving around one million people. The plant is unique and the first of its kind in the world. We are expanding the technology globally to more markets such as the Netherlands and India, and we are studying many more markets.

Finding Value in Waste

Febreze, TerraCycle and Tesco partnered to give schools in the UK a chance to win a playground made from recycled plastic. Community members were encouraged to get involved and help their local schools win by voting for them in the competition. The Febreze Playground competition focused on raising awareness of the issue of waste recycling among the youngest in our society as well as their communities. By recycling waste, the project aimed to help reduce plastic litter from entering nature's playground and polluting the planet, instead creating play areas for kids to enjoy a bit of fresh air everywhere.

The competition garnered more than 65,000 votes, including a viral video campaign from one school generating more than two million media impressions. The recycled playground, built at Wooler First School, was made mainly with parts made from recycled plastic lumber from curbside recycling waste collected in the UK. Following its success, the program is now in its second year and has been expanded in partnership with Tesco to run across the whole household category.



Together with Gruppo Angelini in Italy, we developed technology capable of processing 10,000 tons per year of absorbent hygiene products to create new products.

Waste

Collaborating to address Plastic Waste

Circulate Capital

We are proud to have been a lead partner in the creation of Circulate Capital, a new kind of investment firm that leverages technology and builds infrastructure in South and Southeast Asia to prevent plastic from becoming waste in the ocean.

Led by Rob Kaplan, co-founder of Closed Loop Partners, the company evolved out of the "Closed Loop Ocean" project, following commitments made by us and others at the Our Ocean Conference in Malta in October 2017 to create financing opportunities focused on preventing plastic from flowing into the ocean.

As a lead funder, we were critical to the spin-off and acceleration of the project which we see as vital to solving the ocean plastic problem. South and Southeast Asia have seen exponential growth and development over the past 10 years that has outpaced the necessary infrastructure. Studies have shown that significant reduction in plastic leakage to the ocean can be achieved by improving waste management and recycling in the five countries where Circulate Capital is set to deploy: India, Indonesia, Vietnam, Thailand and the Philippines. We believe that this unique model will be instrumental in building the infrastructure to retain plastic in packaging and product supply chains and prevent it from entering the environment, thus supporting a truly sustainable and circular economy.

"P&G is proud to be part of Circulate Capital. Just like the Closed Loop Fund, this will address the root cause and help develop the right infrastructure to drive positive change. Working together, we believe we can halt the flow of plastic into the world's oceans."

– Steve Sikra, P&G Associate Director, Corporate R&D, Global Product Stewardship

CLOSED LOOP *fund*

Association of Plastic Recyclers (APR) Demand Champions

We renewed our participation as an Association of Plastic Recyclers (APR) Demand Champion. The APR program is intended to:

- Strengthen and increase domestic demand for residential mixed plastics
- Make a public commitment to plastic recycling
- Expand plastic recycling infrastructure
- Boost a "circular economy" for plastic packaging

Along with the APR and other Demand Champions, we recognize a "demand-pull" is needed to drive a positive momentum in plastic recycling.

APR We are an APR Recycling DEMAND CHAMPION

World Oceans Day

P&G is a major sponsor of World Oceans Day, a global celebration officially recognized by the United Nations aimed at reaching millions of people worldwide to become more aware, educated and actively engaged in creating a healthier ocean and the waterways that connect to it. We are also a proud founding partner of Youth for the Ocean, a new collaborative initiative that will help drive youth awareness of the importance of a healthy ocean and how everyone can help, including educating youth about plastic pollution issues and solutions, driving action by mobilizing a youth constituency to prevent plastic pollution and helping clean up communities and coasts and elevating coastal and ocean health as a political priority.



Youth for the Ocean creates awareness about plastic pollution and how to keep oceans healthy.

Waste

Waste to Worth

Waste to Worth is an effort to develop an integrated, profitable and replicable waste-management business model that finds value from waste. Three key pilots are currently under development in Angeles City, Cabuyao and Dagupan in the Philippines. The goal of the pilots is to convert more than 1,000 tons per day of solid waste to value. Various business models are being explored to extract value from waste as a means of creating economically viable and thus sustainable infrastructure.

We have supported this effort with our partner, the Asian Development Bank, who co-funded feasibility studies that were critical to advancing the project. This year, the project made significant progress with signing off-take (electricity, diesel, gas) customers, permitting, engineering, investment and bidding for a construction firm to build the facilities. Ground breaking has happened in Dagupan with Angeles City and Cabuyao to follow in early 2019. The facilities are on track to deliver our goal to have operational pilots in place by 2020.

The Recycling Partnership

We are committed to helping consumers have access to strong recycling programs through our support of The Recycling Partnership. Today, less than half of recyclables in U.S. homes are recycled. We work with The Recycling Partnership to change this by making it easier for people to recycle. How? By providing recycling carts, educating residents on what—and what not—to recycle and by delivering best practices, expert technical assistance and free online tools to help communities across the country improve their recycling programs long-term.

Through partnership, the results-driven nonprofit has invested more than $29 million to help around 600 communities and more than 29 million households improve recycling, diverting 115 million pounds of recyclables from landfill. In 2017, the Partnership placed 182,000 recycling carts from Portland, Maine to Santa Fe, New Mexico. They also teamed up with Atlanta and Chicago to clean up the recycling stream in communities by decreasing overall contamination and joined forces with Denver to boost capture of aluminum cans by 25%. Across the country, more of our packaging is being recovered due to the activities of The Partnership.

"P&G understands that we must all work together to transform recycling for good in communities across the U.S. Their continued support has helped us help more than 29 million households—almost a quarter of the U.S. population—recycle better. We have much more work to do, and with P&G's help, we can create a sustainable recycling system that is good for the economy, the planet and peoples' lives."

– Keefe Harrison, CEO, The Recycling Partnership

THE RECYCLING PARTNERSHIP





With The Recycling Partnership, we have helped more than 29 million households divert recyclables from landfills.



The Power of the P&G People

Coastal Clean-ups

Singapore
In celebration of P&G's 30th anniversary in Singapore, more than 250 P&G employees set out to two locations along the eastern coast—Coney Island and Tanah Merah Ferry Terminal—to do a thorough coastal clean-up. In partnership with the National Environment Agency and Waterways Watch Society (WWS), our P&G employees cleared three kilometers of beach, collecting an outstanding 1,129 kilograms of coastal debris!

Brussels
Employees at the Brussels Innovation Center participated in an event to help clean the Belgian coast. In 2017, about 75 employees and their families participated; in 2018 more than 100 joined up during their free Sunday and collected 5.3 tons of garbage along with other volunteers.

Cincinnati
Nearly 100 Cincinnati employees partnered with Living Lands & Waters to clean the river banks of their hometown one steamy afternoon in September. Thanks to their efforts, nearly 19,000 pounds of trash were removed from the banks of the Ohio River, including more than 1,000 pounds of carpet, 810 pounds of random plastic, 177 tires and 150 mattresses.

Madrid
P&G partnered with Ecoembes and SEO-Birdlife under the Libera Project to enable a volunteer collection of waste in various parks and beaches in Spain. P&G volunteers and their families from Madrid General Office and Jijona Plant joined forces to restore the natural beauty of El Pardo Natural Park and Cala Cantalar of Cabo de las Huertas in Alicante. The Libera Project collected tons of garbage while at the same time raising awareness of the issue inside and outside of P&G.

Valencia
To increase awareness around the topic, P&G and CARREFOUR partnered with Paisaje Limpio and Ecoembes to clean the Port Saplaya Beach in Valencia. Volunteers collected hundreds of pounds of waste. In addition, a roundtable was organized with the participation of P&G, CARREFOUR, SUEZ and TerraCycle to discuss the journey behind this effort and the importance of driving responsible consumption.

Philippines Tree Planting

Volunteers planted hundreds of flowering tree saplings to aid the restoration of Sitio Jordan, San Vicente, Sto. Tomas, Batangas in October during the first P&G Philippines Intersite Tree Planting Activity. In 2014, employees from the Cabuyao facility planted saplings on the same site, which are now full-grown trees. Thousands of sapling trees were planted by P&G Philippines in different locations near the Cabuyao site.









Our campaign with YH Supermarket in China generated donations to help protect more than 200 square kilometers of natural forest reserve.



The Power of the P&G People

P&G China Pioneer Program benefited 4,000+ future environmental protection leaders in three years

2018 is the third year of the P&G China Pioneer Program. We partner with a leading NGO in China, the China Environmental Protection Foundation, to provide funding, training and networking to student environmental protection societies in universities in China. This program is designed to grow future leaders in environmental protection.

During the three-year first phase, Pioneer Program supported 80+ university societies and 117 environmental protection projects, benefiting more than 4,000 university students from North and South China.

P&G in the Arabian Peninsula teams with retailers to support education and sustainability

P&G in the Arabian Peninsula has partnered with both retailers and consumers for several years to support causes that impact the region's communities. This year, P&G in the Arabian Peninsula joined with Majid Al Futtaim-Carrefour to support the Year of Zayed, the centennial celebration of the birth of the country's founder through a unique shopper initiative. Named "Leave Your Mark", the campaign promoted environmental sustainability, in particular the planting of the Ghaf, the UAE's national tree. P&G in the Arabian Peninsula and Carrefour UAE planted one Ghaf seed for every P&G product purchased at Carrefour UAE stores nationwide during two weeks in July and August.

In total, 20,000 Ghaf seeds were planted by P&G and Carrefour employees and consumers. When ready, these Ghaf saplings will be planted in a new national reserve designed to educate UAE consumers about the importance of environmental sustainability.

We planted one Ghaf seed for every P&G product purchased at Carrefour UAE, totaling 20,000 seeds planted.

Partnering with Customers to Protect Natural Reserves in China

P&G China Pioneer Program and YH Supermarket, one of the largest-scaled supermarkets in China, built a five-year partnership to help protect natural reserves and rare species. The partnership began in 2017 where we attracted 1.5 million consumers to join the "buy one P&G product, donate 1 RMB" responsible consumption campaign in 300 YH supermarkets around China. The donation contributed to help local NGOs protect more than 200 square kilometers of natural forest reserve in northwestern China, including a few rare animal and plant species living in the forest area.

Sustainable Innovation with Suppliers





Designing *The Good Life* with our Sustainable Partner Innovation Network

In November, P&G thought leaders and fourteen suppliers from our global Sustainable Partner Innovation Network participated in an experiential immersion where they were challenged to think about current and future sustainability issues in a new and innovative way. Participants travelled to seven unique locations across the city of Chicago in one day to experience a broad range of barriers that prevent consumers and communities from living The Good Life—a life filled with delightful innovation and responsible consumption. The event challenged participants to consider the imminent world—one of increased urban living and decreased resources—as an inspiration, rather than a barrier, for developing sustainable innovation for the future. As a result, our supplier ecosystem is more connected to the vision of developing future innovations that are both a force for good and a force for growth.

P&G thought leaders and suppliers met in Chicago to imagine The Good Life—filled with delightful innovation and responsible consumption.

Worldwide Health, Safety and Environment Systems

Health and Safety Policy

P&G is committed to having safe and healthy operations around the world. The goals are to protect the lives and health of our employees and the communities surrounding our operations, as well as to protect our assets, ensure business continuity and engender public trust.

To accomplish this, P&G will:

- Operate facilities safely and ensure that processes are safe and healthy for our employees and residents of the surrounding communities. We will accomplish this by following uniform corporate safety standards around the world. Safe operations have been a long-standing part of Company culture, reflecting the belief that our employees are our most important asset.
- Construct our facilities so as not to compromise the safety and health features designed into them.
- Monitor progress toward our objective of preventing injuries, illnesses and incidents. We will continually assess and improve our safety and health technologies and programs.
- Have every employee understand and be responsible for incorporating safe behavior in daily business activities. Every employee is trained to work in a safe and healthy manner.
- Have operating standards, practices, systems and resources in place to implement this policy.

Worldwide Health, Safety & Environment Organization

Health, Safety & Environment (HS&E) is a global community of resources responsible for ensuring that all sites worldwide—including innovation centers, distribution centers, acquisitions and established plants—are operated safely and legally; that process hazards are minimized or eliminated; that health risks are identified and managed or eliminated; and that waste from sites is reduced as much as possible. Several thousand employees spend all or a portion of their time on HS&E management.

There are three major components to a site's HS&E organization: Environmental, Technical Safety and Industrial Hygiene & Personnel Safety. In addition, each site typically has both a Fire Protection Systems Leader and an overall HS&E Leader. The HS&E site organization also closely partners with the site Health Service or Medical leader. P&G uses a phased, detailed Risk Assessment process to evaluate the safety of processes and initiatives being introduced at our own manufacturing operations as well as at contractor manufacturing operations. The Risk Assessment process is designed to enable high-speed innovation.



P&G has verified that the HS&E program at all of our manufacturing facilities meets the intent of the Global Health and Safety Management standards OSHAS 18001 and ISO 14001. In addition to our own internal reviews, in 2006, P&G worked with Environmental Resources Management (ERM), a highly respected international consulting firm in the field of environment, health, safety and sustainability to conduct an independent equivalence study. This ERM report, and a secondary P&G internal follow-up audit in 2010, both reaffirmed we are following the overall principles defined within these standards.





Worldwide Health, Safety and Environment Systems

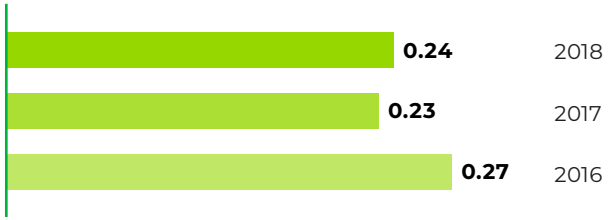
Health & Safety

The health and safety of P&G employees and our contractor partners is a foundational expectation and directly linked to P&G core values.

- Nothing we do is worth getting hurt
- Safety can be managed
- Every injury and illness can and should be prevented
- Safety is everyone's responsibility

The Company tracks our total injury rate (TIR) and loss work day case rate (LWDC). TIR includes any injury that requires medical treatment beyond first aid, including work restrictions. LWDC is a subset of all injuries that were serious enough to result in the individual missing the next assigned work shift. Our TIR target for both employees and contractors is 0.24 injuries per year per 100 employees (100,000 hours). No targets are set for LWDC rates. To achieve these results, we have implemented an integrated Health, Safety and Environmental program. This program sets expectations that enable evaluation of each site's leadership involvement, behavior and culture, equipment design and maintenance standards, and training and procedures. We specifically focus on life-safety critical systems such as electrical safety, confined space entry, fall prevention/protection, material handling and isolation of hazardous energy. The TIR and LWDC rate results are summarized in the charts to the right.

Total Incident Rate
(Injury and illness per 100 employees)



Total Lost Work Day Case Rate
(Lost and restricted work day cases per 100 employees)



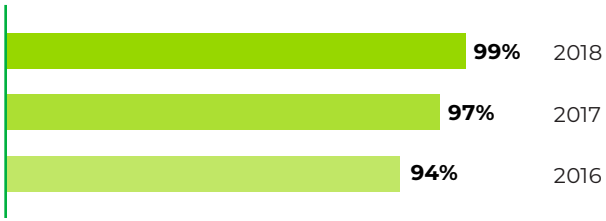
Worldwide Health, Safety and Environment Systems

P&G has more than 25 manufacturing plants and technical centers that are celebrating more than one million safe work hours without a lost workday injury.

Audit Programs

P&G's internal HSE audit program is designed to ensure sites are complying with both local regulatory requirements, as well as, corporate polices, standards and procedures. These audits are completed at all plants, innovation centers and distribution centers worldwide. Recently we modified the audit program to eliminate numerical scores and move to identifying specific findings and classifying those findings as critical, major or minor. All findings are tracked to closure by the corporate HSE. The fundamental philosophy is to use the standards worldwide, implemented by trained HSE leaders at facilities and audited each year using a consistent, comprehensive approach. Audits measure performance against mandatory standards and operating procedures. The target is to have no critical findings and continually reduce the number of major or minor findings. This year 99% of the sites were assessed.

Sites Conducting Annual Audits
(Percentage)



Top 5 Sites with the Highest Number of Employee Safe Working Hours

Manufacturing Site	Safe Hours*	GBU	Region
Ibadan	11,900,000	Fabric and Home Care	IMEA
Shiga	7,200,000	Beauty	Asia
Takasaki	6,600,000	Fabric and Home Care	Asia
Xiqing	4,900,000	Beauty	Asia
Huangpu	4,600,000	Beauty	Asia

*Rounded down to the nearest 100,000

Technical Center	Safe Hours*	GBU	Region
London Innovation Center	2,700,000	Technical Center	Europe
Kobe Innovation Center	670,000	Technical Center	Asia
Brussels Innovation Center	550,000	Technical Center	Europe
Singapore Innovation Center	450,000	Technical Center	Asia
Kronberg Innovation Center	330,000	Technical Center	Europe

Worldwide Health, Safety and Environment Systems

Compliance with Laws and Regulations

There are numerous health, safety and environmental requirements worldwide. Plants are subject to safety rules and emission limits with operating requirements that may be embodied in sources such as statutes, regulations, laws and permits. It is P&G's intent to comply with both the letter and the spirit of statutes, regulations, laws and permit requirements. Identified compliance issues are treated seriously, and all noncompliance matters are resolved as expeditiously as possible.

Notices of Violation

We continually strive for zero notices or penalties. The charts below summarize data from the last three years and provide perspective on notices of violation (NOVs) received during FY 14/15. Note, several fines are still under review but are included in the total numbers.

Year	Number	Fines
2018	17	$249,430
2017	24	$102,804
2016	29	$46,250

A breakdown of NOVs is provided below:

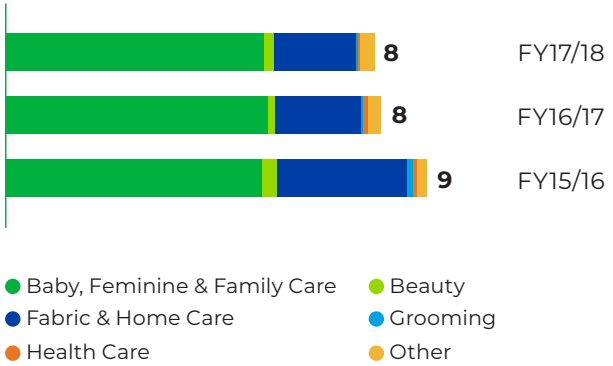
Violation	Number of NOVs	Fines
Water-Based	7	$15,908
Air-Based	4	$229,500
Solid-Waste-Based	1	$0
Paperwork	4	$3,622
Transportation-Based	0	$0
Other	1	$400
Worker Safety	0	$0
Total	17	$249,430

Air Emissions

Each site assesses total suspended particulates, volatile organic compounds (VOCs), carbon monoxide (CO), nitrogen oxides (NOX) and sulfur oxides (SOX). The chart below summarizes data from the last three years.

Air Emissions by GBU

Thousands of metric tons



Awards & Recognitions





The Arbor Day Foundation recognized P&G as a friend of the forest for our commitment to responsible forest sourcing.

Environmental Excellence

We were one of only five organizations nationwide to receive an EPA Green Power Partnership Leadership Award for direct project engagement. The program recognizes organizations that distinguish themselves through direct project engagement with on- and off-site projects to access renewable energy certificate (REC)-based green power.

In addition, we rank as number 9 on EPA's Fortune 500® Partners list and as number 14 on EPA's National Top 100 Partners list. Each list highlights EPA Green Power Partners using the most renewable energy annually as of July 2018. EPA updates its Top Partner Rankings quarterly.

EPA TOP PARTNER RANKINGS

According to the EPA, our green power use of more than 743 million kWh at our U.S. facilities is equivalent to the electricity use of almost 70,000 average American homes annually.

Our Alce Blanco toothbrushes and floss plant in Mexico received a recognition granted to less than 1% of the manufacturing sites in the country called Clean Industry Level II. They also received an award for Environmental Excellence by the Environmental Ministry. This award is given to sites that have demonstrated best practices in environmental sustainability such as zero water consumption in the manufacturing process, clean energy and zero waste to landfill. The Alce Blanco plant has made significant progress recently, including LED lighting, solar heaters, reforestation, and process and machinery efficiency projects that translate into less water and energy consumption while reducing GHG.

Our diaper recycling technology that we worked in partnership with Fater to bring to scale, received the Eco-Innovation award from the European Commission.

Arbor Day Foundation 2018 Friend of the Forest Award

We were honored to be recognized by the Arbor Day Foundation as their 2018 Friend of the Forest Award recipient. The award was granted for our dedication to responsible forest sourcing by partnering with organizations and landowners that support responsible forest management.

FRIEND OF THE FOREST AWARD

Awards & Recognitions

Business Intelligence Group 2018 Sustainability Leadership Award and Sustainability Initiative of the Year Award

The Business Intelligence Group (BIG) announced P&G as a 2018 Sustainability Leadership Award recipient in recognition of our efforts to make sustainability an integral part of our business practice.

And our Family Care business was separately awarded BIG's 2018 Sustainability Initiative of the Year Award.

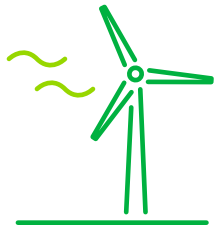
SUSTAINABILITY INITIATIVE AWARD

FSC 2017 Leadership Award

We were awarded the Forest Stewardship Council United States 2017 Leadership Award in recognition for making our iconic Charmin and Puffs tissue products FSC-certified and for working with partners to add 500,000 acres of FSC-certified forest in the Southeastern U.S.

FSC LEADERSHIP AWARD

Our Milenio Blades & Razors Plant in Irapuato, Mexico continues to be a leading example of applying innovative sustainable manufacturing practices. The plant, which started operations seven years ago, is LEED Silver certified, sends zero manufacturing waste to landfill, reuses treated wastewater and utilizes 100% wind electricity. The plant won first place in the Energy Efficiency State Award for the third consecutive year, recognizing improvements in the evaporation plant, reducing consumption within lighting, heating, ventilation and air conditioning (HVAC). Two key highlights were the use of outdoor air in the winter which saved 360,945 KWh and upgrading to LED illumination in the quality assurance labs saving an additional 5,820KWh.



Our plant in Irapuato, Mexico uses 100% wind energy.

We were awarded the United Nations' Momentum for Change Award for our H&S beach plastics bottle.

Our Binh Duong facility received the Green Book Award from the government in 2016-2017 for its energy and water reduction efforts.





The Forest Stewardship Council recognized P&G for making Charmin and Puffs FSC-certified.

Photo Credit:
Ebersole Photography

Awards & Recognitions

LEED

We are committed to "designing in" sustainability within our facilities, including pursuing LEED certification for all new facilities. We now have 30 sites with LEED Silver or Gold certification.

Location	Gold	Silver
Ben Cat, Vietnam		2
Box Elder, UT, U.S.		2*
Cabuyao, Philippines	1	
Cincinnati, OH, U.S.		2
Cruz, Brazil		1
Greensboro, NC, U.S.		1
Budapest / Gyongyos, Hungary		3
Guangzhou, China	1	1
Hyderabad, India	1	2
Jakarta, Indonesia		4
Lagos, Nigeria		2
Singapore		1
Tabler Station, WV, U.S.		2
Taicang, China	1	3
Total	4	26



*Represents a LEED v4 Certification at this location.

Environmental Resource and Waste Summary

The table below reports environmental statistics for Manufacturing Operations in our Global Business Units, Technical Centers and Distribution Centers

	Totals (absolute units x 1,000)			2017 Global Business Unit Detail[1] (absolute units x 1,000)					
	2018	2017	2016	Baby, Feminine and Family Care	Beauty	Fabric and Home Care	Grooming	Health Care	Other
Production (metric tons)									
Product Shipped[2]	25,642	30,007	25,758	5,737	1,983	16,897	634	391	N/A
Raw Materials from Recycled Sources[3]	633	676	632						
Waste (metric tons)									
Generated Waste	727	670	612	285	70	204	38	35	96
Percent Recycled/Reused Waste	90%	88%	87%	91%	89%	84%	99%	95%	96%
Disposed Waste (metric tons)									
Waste Disposed	71	78	82	25.84	7.44	31.85	0.41	1.65	4.00
Solid Waste—Non-Hazardous	40	47	46	15.31	3.60	17.09	0.00	0.35	3.30
Solid Waste—Hazardous	2	3	8	0.01	0.11	2.03	0.00	0.01	0.00
Effluents (excluding water)[4]	21	19	18	4.71	3.50	10.90	0.36	1.22	0.37
Air Emissions[5]	8	8	9	5.81	0.23	1.83	0.05	0.07	0.33
Energy and Greenhouse Gas (GHG)									
Energy Consumption (gigajoules)	60,891	60,488	59,263	39,504	2,994	11,147	2,469	1,813	2,963
Total GHG Emissions (metric tons)[6]	4,298	4,663	4,669	2,682	260	690	230	191	244
Scope 1—Direct GHG Emissions (metric tons)	2,138	2,118	2,030	1,566	81	318	61	42	70
Scope 2—Indirect GHG Emissions (metric tons)[7]	2,160	2,545	2,639	1,117	179	373	169	148	174
Biogenic GHG Emissions (metric tons)	68	89	177	68	N/A	N/A	N/A	N/A	N/A
Water (Cubic meters)									
Water Consumption	63,419	61,927	63,219	39,515	4,865	14,163	1,102	1,571	2,202

1 metric ton = 1,000 kg = 2,205 lbs.

(1) For 2018, Baby, Feminine and Family Care includes Baby Care, Feminine Care and Family Care. Beauty includes Beauty Care and Personal Beauty Care. Fabric and Home Care includes Fabric Care, Home Care and Chemicals. Grooming includes Blades and Razors and Devices. Health Care includes Personal Health Care and Oral Care. Other includes major stand alone offices/technical centers that support the business units, our largest distribution facilities, and corporate entities such as our manufacturing operations in Venezuela. Numbers do not include production from contract manufacturing operations.

(2) Estimated from shipment figures. Data was estimated using FY17/18 production volumes and FY15/16 conversion factors.

(3) Data is tracked at a corporate level.

(4) Wastewater chemical oxygen demand (COD).

(5) Air emissions include particulates, SO_x, NO_x, CO and VOC.

(6) Total GHG emissions = Scope 1 + Scope 2. Scope 2 emissions calculated using a market-based method.

(7) Market-based Scope 2 GHG emissions. Note: Location-based Scope 2 emissions 2018 were 2,598,621 metric tons.

Global Measurement and Additional Operational Data

2020 Goal Measurement Systems

We go to great lengths to ensure rigor, accuracy and transparency in our reporting. Below, we share additional information on some of our 2020 Goal Measurement Systems to help ensure clarity and transparency on the data we are reporting:

Greenhouse Gas Emissions
For purposes of monitoring progress against our goal and listing emissions levels in charts and graphs, we utilize market-based Scope 2 GHG emissions. The WRI/WBCSD GHG Accounting protocol provides additional perspective on market - versus location-based GHG emissions.

GHG PROTOCOLS

Our GHG emissions data has been verified by an external third party, Lloyd's Register Quality Assurance (LRQA).

LLOYD'S REGISTER QUALITY ASSURANCE

Low-Energy Cycle Machine Washing Loads
Each year, we carefully review habits and practices data to help us assess progress against our low-energy washing goal. The objective of this goal is to get consumers to use low-energy cycles, and we can play a significant role in that by providing detergents that provide outstanding performance in low-energy cycles. We have included the following cycles in our tracking: Traditional Cold, HE Warm and Cold, with HE including both Top Loading and Front Loading HE Machines. Our benchmark for qualifying low-energy cycles has been 0.4KWh per wash cycle. Based on our continuing monitoring of machine performance, we now recognize that Top Loading HE machines consume more than 0.4KWh/wash cycle but still represent a significant energy savings vs. loads run in traditional warm cycles. In addition, we expect total energy for these types of machines to decrease further over time based on continued innovation and regulation. Given our objective is to drive consumers to low-energy cycles, and since HE Top Load machines represent a significant energy savings, we will continue to count top load HE machine Warm and Cold as low-energy cycles. Net, there is no change in the scope of our tracking but we are modifying our approach to simply list the cycles that we now track. For clarity they are cold cycles in traditional top load machines and cold and warm cycles in all HE machines.

Packaging Reduction
The average packaging reduction is calculated using products that represent the top 70% (by volume) of the categories that have the largest impact on packaging use (Fabric Care, Home Care, Baby Care, Feminine Care, Family Care, Oral Care, Personal Cleansing Care, Shave Prep, Hair Color and Hair Care). While a subset of overall data, we believe it is representative of overall corporate data and focuses resources on the biggest SKUs and categories that have the biggest impact on packaging.





Global Measurement and Additional Operational Data



2020 Goal Measurement Systems

Recyclability of Packaging
For purposes of tracking progress against our goal, a package is considered recyclable when there is an in-market, at-scale recycling system in place for that material type (e.g., collection, sortation, processing for end use and established end-market for collected material). While we require large-scale systems to be in place in at least one geography, we do not require a minimum percent access or recovery rate per package in every country or market where a package may be sold for the package to be considered recyclable for purposes of tracking progress versus our goal.

Paper Packaging
Data for calculating progress versus our paper packaging goal was self-reported by our suppliers. The data collected this year covered materials procured directly by P&G as well as contractor manufacturers and covered more than 95% of our global spend.

Renewable Energy
When calculating the renewable energy powering our plants, we include the renewable energy level of the local electrical grid that provides power to the plant.

Water Conservation
Our goal to reduce water use in manufacturing facilities by 20% per unit of production applies to freshwater consumption, which means freshwater intake from the following sources:

- Tap water – water supplied by municipalities or third-party companies via piping systems or trucks, at any quality they deliver
- Net water via purchased steam
- Ground water from site wells
- Surface water – non-brackish as rivers, lakes, creeks, etc., at any quality they deliver

Palm Oil: We are seeking to increase our use of RSPO SG palm oil
RSPO SG palm oil means that RSPO certified oil is physically segregated from non-certified oil. Given increasing stakeholder concerns over palm oil production practices of third-party suppliers, moving to RSPO SG oil for palm oil and derivatives provides a higher level of verification that the oil we procure is originating from RSPO-certified sources. It also, by definition, allows us to trace oil to the source plantation and implement additional verification efforts should they be deemed necessary. There are challenges with moving to RSPO SG palm oil, including both available supply and increased costs, but we are working with suppliers to try and overcome both of these challenges as we work towards our goal of having 100% of PO and POD be RSPO SG.

Baseline Restatement
This year, P&G adjusted our GHG emissions baseline in accordance with the principles in the WRI and WBCSD Corporate Standard for Greenhouse Gas Accounting. Changes included adjustments for acquisitions/divestitures as well as other minor modifications and corrections to historic data. Our original baseline was 5,466,601 metric tons. Our revised baseline, which we will use for calculating progress versus GHG emissions reduction goals, is now 5,422,275 metric tons. As part of this work, we also updated our baselines for energy, water and waste. Original energy baseline was 67,904,220 gigajoules. It is now 64,081,270 gigajoules. Original water baseline was 77,049,114 cubic meters. It is now 75,201,959 cubic meters. Original waste disposed was 354,563 metric tons. It is now 339,306 metric tons. The baseline year remains the same: P&G's FY09/10.



ABOUT OUR CITIZENSHIP REPORT

Data in this report covers the period of July 1, 2017 to June 30, 2018. Financial information is given in U.S. dollars. Questions related to this report can be directed to mediateam.im@pg.com. This report references GRI 102: General Disclosures 2016. A GRI Content Index for this report can be found here.

BACK TO START