



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.



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.



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.



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.



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.



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.



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.

Diversity & Inclusion



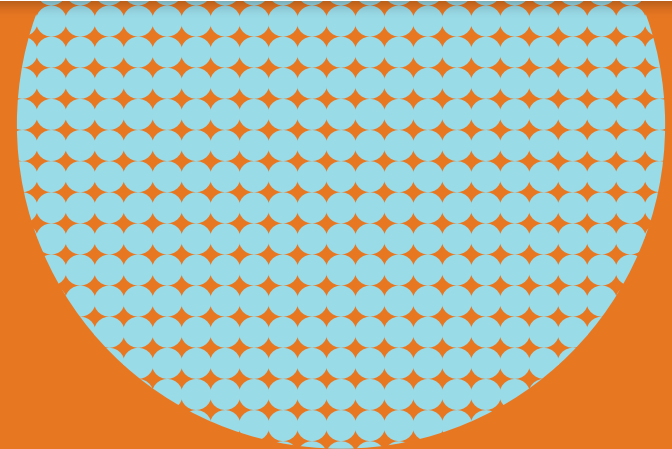
Message from William P. Gipson

"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.

Vicks India

India is largely a conservative country—one where homosexuality is best kept closeted and where being transgender 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.

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.



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.

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.

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.



Making an Impact

INROADS Fuels Pipeline of Diverse Talent

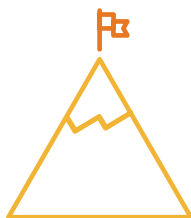
Since the 1980s, P&G has been working with non-profit INROADS to grow and develop talented, diverse youth in the U.S. Students of varied cultural backgrounds have joined P&G as interns and worked across all functions and business sectors. Without the support of INROADS, P&G couldn't have placed as many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



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.



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



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.



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.



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.



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 of 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.

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.

Asian Pacific American Leadership Team

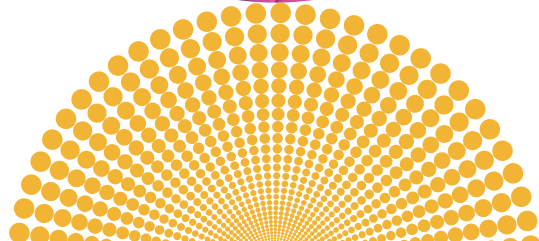
One of the fastest-growing groups in North America, the Asian Pacific American Leadership Team (APALT) represents the Asian-Pacific Americans working at every level in P&G, where they have made major contributions to our business. The team offers opportunities for networking and is actively involved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

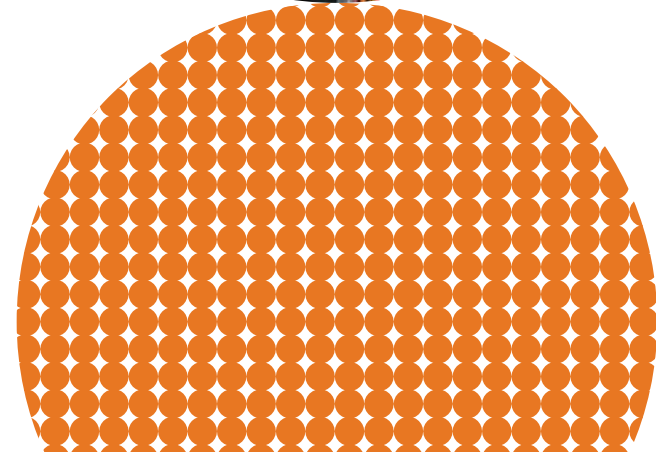
Top Supplier Diversity Program, DiversityComm/US Veterans Magazine (U.S.)

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)





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](#).