

Dear P&G Stock Option Recipient,

Your Stock Options are now available Online in Your Country

In December 2012, we announced the launch of "Stock Options Online" (SOO) to help our valued retirees and former employees with retained stock options better manage their stock options. Since launching SOO, almost 5,000 transactions for 11.5 million shares and \$750 million have been processed through the system. Overall, feedback is very positive.

We are now launching SOO in your country of residence. To date, your ability to manage your stock options has been limited and you have had to rely on paper/fax documents, e-mail, and phone calls. SOO allows you to view your account online and exercise your stock options in the same way you did as an active employee.

What you need to know:

P&G's Stock Plan Administration organization continues to administer your stock options and provide support. However, we teamed with SunGard Shareholder Systems to bring you the online web application for your stock options. Stock Plan Administration updates the web application whenever there are changes to your account.

What you need to do:

We encourage you to enroll in the new process so that you can begin taking advantage of online account information and exercise capability. You will need to consent to using this new electronic delivery process by returning the attached SOO Enrollment Form. You will then receive instructions by US mail from Stock Plan Administration on accessing SOO for the first time. After you establish your account and set up your own security questions, you will be able to view your account, pull historical data, print statements, download to other programs, and exercise your stock options online.

If you do not wish to enroll in SOO at this time, all current processes remain the same. You can still exercise your stock options by completing a paper Notice to Exercise form and you may continue to contact Stock Plan Administration for your stock options and restricted stock needs.

When you need to do it:

Stock Options Online is available now. Consent to electronic delivery by signing and returning the attached SOO Enrollment Form. We will then provide you with additional information to access your account. Instructions on how to return the Enrollment Form to Stock Plan Administration are included at the bottom of the form.

Tools and tips to help you along the way:

Included in this communication are FAQ's for reference. For more information, please visit www.pg.com/options; or, contact Stock Plan Administration by emailing stockopt.im@pg.com or calling 513-983-5125.

It is our hope that you will enjoy the capabilities that come with "SOO" and appreciate the value this application adds.

Judy Virzi
Group Manager
GBS, Human Resources Services & Solutions F&A

Stock Options Online

Frequently Asked Questions

What is “Stock Options Online”?

“Stock Options Online” (SOO) is an external website hosted by SunGard. P&G’s Stock Plan Administration will post data to this site relative to Stock Options, Stock Appreciation Rights, Restricted Stock, and Restricted Stock Units. Data is available 24 hours a day, seven days a week. In addition, SOO provides employees with the ability to exercise their stock options and stock appreciation rights online, as well as view any data pertaining to exercises.

Why is the Company doing this?

SOO helps us meet the Company direction of digitization and our continuing efforts on sustainability. We can provide faster and more efficient service with 24x7 access.

Who is “Stock Options Online” being rolled out to?

To date, we have launched Stock Options Online to all US and European based retirees and former employees with retained stock options. We will launch in other countries based on their specific laws and regulations.

How can I ensure my data is private and secure?

Your data is currently stored at P&G in compliance with P&G privacy policies. When you sign up for SOO, P&G will transfer the data to SunGard in a secure manner and the data will be stored at SunGard in compliance with P&G’s security and privacy standards for third parties. SunGard will only use the data to allow you to request P&G to execute transactions electronically that you previously had to request through faxes or mailed hard copies. SunGard will share the data with Stock Plan Administration for purposes of executing stock transactions.

What must I do to enroll?

Complete the Stock Options Online Enrollment Form and return to Stock Plan Administration. Instructions for returning the Enrollment Form are included at the bottom of the Form. We will then send you instructions by US mail to access SOO for the first time. You will also receive an e-mail from the web service provider, SunGard, which will provide the security code for the first time logon. Add the email address sias.interlink@sungard.com or the @sungard.com domain to your safe sender list in the “junk email options” of your email settings to ensure you receive your security code. Then, follow the directions to establish your account.

How can I learn more about Stock Options, Stock Appreciation Rights, Restricted Stock and Restricted Stock Units?

Information relative to Key Manager awards was given to you at the time your awards were granted. If you have additional questions, you may contact Stock Plan Administration.

How does the exercise process work? What happens when I submit an exercise in SOO?

SOO will operate very similar to the way “My Stock Options” operates for active employees. When you request an exercise in SOO, details of the exercise will be transmitted to Stock Plan Administration. We will email exercise status updates to you, or you can monitor the status via SOO. We will provide more details about the actual exercise process when you enroll for SOO.

The Exercise Process

What are the differences between the new process and the current process for stock option exercises?

The Current Process	The New Process, effective immediately
<p>Optionees (retired and former employees with retained stock options) must complete a paper form and mail, fax, or email a scanned copy of the Notice to Exercise Form to Stock Plan Administration.</p> <p>Optionees must request Stock Plan Administration to provide a statement of account.</p>	<p>Optionees (retired and former employees with retained stock options) enroll in SOO and will receive instructions for accessing the site via US mail.</p> <p>Optionee will receive an e-mail from SunGard with a security code that will be necessary to establish the online account.</p> <p>Once established, the optionee will be able to view their account and exercise online. Those who do not enroll in SOO will continue to use the paper process in place today.</p>
<p>Optionee relies upon Stock Plan Administration to process exercises and answer questions eight hours daily, Cincinnati time.</p>	<p>Optionee Self Service available 24x7.</p> <p>Stock Plan Administration will be available to answer questions from 8:00 a.m. – 4:00 p.m., Cincinnati time.</p>
<p>Up to three methods of exercise provided, based upon local law and exchange control provisions.</p>	<p>No change.</p>
<p>Optionee must wait for paper confirmation of exercise details via mail.</p>	<p>Optionee can view details of exercise online, via SOO.</p>

Is SOO real-time?

No. Stock Plan Administration typically transmits data to SOO at 10:00 a.m., 1:00 p.m., and 7:00 p.m. EST. Exercises submitted via SOO are collected and typically transmitted to Stock Plan Administration at 8:45 a.m., 11:30 a.m., and 2:30 p.m. EST.

How does the transmission of data affect the timing of exercises I submit?

If your exercise involves a sale of shares, the order will typically be sent to the broker shortly after transmission to Stock Plan Administration from SOO. The timing of transmissions has been set to minimize processing time.

If you elect to exercise your stock option by paying cash, you may immediately remit your funds to P&G Stock Plan Administration. Upon receipt of both the transmission from SOO and your funds, P&G Stock Plan Administration will execute your exercise.

When are stock options that are exercised and sold at “Market” processed?

If you wish for P&G to act on your behalf and sell your shares on the open market at the current market price, shares of stock will typically be sold at one of three times daily. First, submit your exercise request to SOO. This data will then typically be transferred to Stock Plan Administration at 8:45 a.m., 11:30 a.m., or 2:30 p.m. Depending on when Stock Plan Administration receives your exercise request, your “Market” order sale will typically occur at either 9:15 a.m., 12:00 p.m., or 3:00 p.m. EST. The sale price received for shares sold at “Market” will be determined by averaging all “Market” orders submitted at that time.

When are stock options that are exercised and sold at “Limit” Processed?

If you wish for Procter & Gamble to act on your behalf and sell your shares on the open market when the value of Procter & Gamble’s stock reaches or exceeds the price you specify and the demand is met, specify the price for which you want to sell your shares. Partial sales will be processed. As an example, if you indicate you want to sell 500 shares at a Limit price and only 100 shares sell at that price, those 100 shares will be executed. The balance of 400 shares that did not execute will remain an open order on the NYSE and will sell when P&G stock reaches or exceeds the price you specified and the demand is met. All “Limit” orders are “good to cancel” and will remain outstanding until the earlier of expiration of the grant, or you choose to cancel the exercise request. Requests submitted as “Limit” orders may be cancelled by the optionee as long as the sale has not yet occurred. If Limit is not reached by the time of expiration for the grant indicated, the grant will expire unexercised.

Can I cancel an exercise request I submitted in SOO?

- **Market Orders** - stock option requests to be sold at “Market” cannot be cancelled.
- **Limit Orders** - stock option requests to be sold at “Limit” can be cancelled only after they are first received by P&G Stock Plan Administration and then transmitted back to SOO. These limit orders can be cancelled up until the point the broker executes the order at the specified limit price. The broker executes when the stock price reaches or exceeds the specified limit and the demand is met. The cancellation of a limit order is a four step process: 1) Optionee submits a “cancel” request via “Manage Transactions”; 2) SOO typically submits the cancel request to P&G at 8:45 a.m., 11:30 a.m., and 2:30 p.m. EST; 3) P&G submits the “cancel” request to the broker. Requests are typically processed daily at 9:15 a.m., 12:00 p.m., and 3:00 p.m. 4) The broker receives and cancels the order if not already sold. The shares are then available for you to exercise again.
- **Pay Cash** exercises can be cancelled after they are first received by P&G Stock Plan Administration and then transmitted back to SOO. You may check the status of an exercise or cancel request via “Manage Transactions.”

Will I be taxed on my stock option gains?

Just as today, based upon local law, taxes will be withheld and reported. Local payroll organizations have been charged with this responsibility and you will receive more information as to your personal tax consequences at the time you exercise a stock option. When the payment is processed, the exact tax calculation will be performed.

How can I monitor the progress of my outstanding exercise request?

An e-mail message will be delivered to you when your stock option request is executed. You can monitor the progress of your stock option exercise transactions by accessing “My Stock Options”, “Manage Transactions.”

What types of reports will I receive through the system for my personal records?

You will be able to view details of any exercise request via “My Stock Options,” “Manage Transactions,” All data relative to the exercise is maintained in the system and available for printing. For more detailed data relative to taxes withheld, refer to the pay stub mailed to your address of record, or contact the Employee Service Center and ask to speak with your payroll manager.

What projection or modeling tools are available through “My Stock Options”?

SOO provides a value projector that calculates the spread between a stock price you determine and the option price on the date of grant.

From the time I submit my exercise request, how long will it be until I receive my cash or stock?

If you sell shares of stock, payment will be distributed to you by local payroll, typically within five and thirty business days of the date shares are sold. If you are retaining shares of stock, shares will be deposited to your SIP safekeeping account within three days of execution.

How will proceeds from the sale of shares be distributed to me?

If you have bank account information on record in the Company’s HR database, funds will typically be distributed to this account. Otherwise, a check will be issued and delivered to the address of record. When you establish an account in SOO, you will be able to view the bank account information and will be provided with Service Center Contact information in the event you want to make updates.

What should I do if I previously submitted an exercise request and have an outstanding limit order?

All exercise requests that have been submitted under the current process are safe and secure. You can logon to SOO to see previous exercise requests.

What if I want to use my current broker to exercise my stock options and sell resulting shares?

Only the stock option recipient may exercise their stock options. If you have authorized a broker to act on your behalf and you have signed the Notice to Exercise form, you will continue to follow the same process as you do today. However, we encourage you to submit your exercise request via SOO, versus the paper form to simplify administrative processes.

Who do I call if I have questions?

If you have difficulty accessing the application due to password problems, contact Stock Plan Administration. You can reference online Help in SOO at any time. If you still have questions after reviewing Help, you should contact Stock Plan Administration. Support is available between the hours of 8:00 a.m. and 4:00 p.m. EST, Monday through Friday.

What should I do if I want to exercise my stock options and am unable to access the system?

Submit your exercise request the way you do today, via paper/fax/e-mail. Please contact Stock Plan Administration for additional help.

How do I reach Stock Plan Administration?

Visit our web page at: www.pg.com/options. You may always write or phone us as follows:

The Procter & Gamble Company
Stock Plan Administration
Two P&G Plaza, TE-3
Cincinnati, OH 45202
phone: 513-983-5050 fax: 513-983-0159
e-mail: stockopt.im@pg.com