

**RESPONSIBLE
SOURCING
EXPECTATIONS
FOR EXTERNAL
BUSINESS PARTNERS**



OUR PURPOSE, VALUES AND PRINCIPLES (PVP'S) ARE THE FOUNDATION OF WHO WE ARE.

OUR PURPOSE

is to improve consumers' lives in small but meaningful ways. 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.

OUR PRINCIPLES

articulate P&G's unique approach to conducting work every day.

We know that P&G employees believe in the value of our PVP's, both personally and professionally. Our PVPs are consistently recognized in our annual employee survey results as something P&G employees 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 from other employers, partners and competitors.

We hold ourselves and our partners to a high standard. To that end we have created these Responsible Sourcing Expectations for External Business Partners. They explain the global standards to be followed in your daily business activities on behalf of P&G. External business partners, their subcontractors and suppliers (hereinafter, "EBPs") are expected to be informed of and share P&G's commitment to these standards. This document outlines key focus areas but is not a comprehensive statement of all standards you are expected to follow in working with P&G. Additional requirements may apply based on the country or industry in which you operate.

We also encourage our EBPs to set similar expectations with their own suppliers. Given the importance of this work, P&G reserves the right to conduct audits to assure compliance with these expectations. P&G also reserves the right to discontinue any relationship should the external business partner violate, fail to correct, or have a pattern of violating these expectations.

Thank you for being a partner that shares our commitment to doing what is right and thank you for your adherence to these expectations



A handwritten signature in black ink that reads "Ana Elena Marziano".

Ana Elena Marziano

Chief Purchasing Officer,
The Procter & Gamble Company



OUR EXPECTATIONS AND YOUR RESPONSIBILITIES



LEGAL COMPLIANCE



FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING



GIFTS, ENTERTAINMENT AND GRATUITIES



RESPECTING HUMAN RIGHTS



NO DISCRIMINATION



EMPLOYEE & DATA PRIVACY



NO CHILD LABOR



NO COERCION, HARASSMENT OR PUNISHMENT



ENVIRONMENTAL SUSTAINABILITY



NO FORCED LABOR



HEALTH & SAFETY



SPEAKING UP



WAGES AND HOURS



PREVENTING BRIBERY & CORRUPTION

Visit www.pg.com to learn more about P&G Policies and Practices



LEGAL COMPLIANCE

We operate within the spirit and letter of the law, maintaining high ethical standards wherever we conduct business and we expect this of our EBPs. EBPs and their employees must understand how these standards and the law apply to their work on behalf of P&G. No external business partner has the authority to require or request that any of their employees or anyone else to violate these standards or any law or regulation.



RESPECTING HUMAN RIGHTS

Our Human Rights Policy Statement communicates P&G's support for the U.N. Guiding Principles on Business and Human Rights, which respects and honors 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 or enforcement mechanisms or have laws that conflict with these internationally recognized human rights. Wherever this is the case, **we are committed to doing the right thing by respecting human rights in every aspect of our business operations.**



“
Work that deprives
children of their childhood,
their potential and
their dignity, and that is
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mental development
”



NO CHILD LABOR

The ILO states that “Child Labor is often defined as work that deprives children of their childhood, their potential and their dignity, and that is harmful to physical and mental development. It refers to work that: is mentally, physically, socially or morally dangerous and harmful to children; and interferes with their schooling by: depriving them of the opportunity to attend school; obliging them to leave school prematurely; or requiring them to attempt to combine school attendance with excessively long and heavy work.”

EBPs must not permit the exploitation of children, and will not use child labor in their end to end value chain. The minimum age for employment is 15 years (or 14 years where local law allows) unless the local legal minimum age for employment or the age for completing compulsory education is higher. Children under 18 years of age (or as defined by local law) cannot be employed for hazardous work.



NO FORCED LABOR

Employment must be voluntarily and freely chosen. EBPs must not use involuntary prison labor, indentured or bonded labor, human trafficking or modern day slavery. 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 expect our EBPs to take active measures and will seek to apply these Principles to all workers regardless of their employment status, location, contractual arrangements or role.

1

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 passports and valuable possessions.

2

NO WORKER SHOULD PAY FOR A JOB

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

3

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.



FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING

EBPs must respect their employees' right to choose to join or not to join a trade union, or to have recognized employee representation in accordance with local law. EBPs are expected to **maintain constructive dialogue and negotiate in good faith** with such representatives. EBPs shall not harass, discriminate against, or otherwise penalize workers, worker representatives, or trade union members because of their interest and/or membership in, or affiliation with, a trade union, or their legitimate trade union activity, in accordance with international labor standards.



NO DISCRIMINATION

Discrimination based on race, color, gender, age, national origin, religion, sexual orientation, gender identity, gender expression, marital status, citizenship, disability, veteran status, medical condition (e.g., HIV/AIDS status, pregnancy, etc.), or any other legally protected factor will not be tolerated. EBPs must not discriminate in their hiring and employment practices (e.g. pay/promotion) and must follow all employment laws. **Employment decisions must be based on merit, skills, and work experiences.**





NO COERCION, HARASSMENT OR PUNISHMENT

EBPs must ensure that all persons are treated humanely, respect their dignity and privacy, prohibit torture or other cruel inhumane or degrading treatment, sexual exploitation and abuse or violation or discrimination. EBPs are expected to have **systems in place to prevent, detect, and resolve unacceptable worker treatment** such as harassment, inappropriate use of discipline, discrimination, physical or mental punishment, or other forms of intimidation or abuse (e.g. physical abuse, threat of abuse, sexual or other harassment, verbal abuse, any type of corporal punishment, or other forms of mental and/or physical coercion as a form of discipline).

HEALTH & SAFETY

EBPs must comply with all applicable health and safety laws, rules, regulations and industry standards. We expect our EBPs to be **committed to and support the improvement of the health and safety of their operations, employees and the surrounding community**. Our EBPs are expected to take all reasonable and necessary actions to prevent accidents and injuries, analyze and minimize health and safety risk exposure, protect their physical assets, ensure business continuity and engender public trust.

WAGES AND HOURS

EBPs must comply with all applicable wage and hour laws, including minimum wage, overtime, maximum hour rules, meal and rest periods, and to provide legally mandated benefits. Where local industry standards exceed applicable legal requirement, EBPs are **encouraged to provide wages that meet the higher local industry standards**.



GIFTS, ENTERTAINMENT AND GRATUITIES

EBPs are expected to respect and comply with our policy on gifts, entertainment, and gratuities. P&G's policy generally **prohibits receiving or giving gifts, entertainment or other gratuities** from or to people with whom P&G does business. Doing so could create strain and awkwardness in the business relationship and appear to improperly influence business decisions, which is not acceptable.



PREVENTING BRIBERY & CORRUPTION

EBPs must conduct business with integrity and in full compliance with the law. EBPs **must not give, agree to give, offer, or receive anything of value to influence** the behavior of another business partner or government official in order to obtain an improper benefit or advantage. Government officials include government employees (including employees at government-controlled or owned entities, such as hospitals, and energy and media outlets in certain countries), elected officials, political party officials, or candidates for public office or for a political party. EBPs must not make "facilitating payments," which are small payments (or "tips") to individual government officials to expedite routine government actions.



EMPLOYEE & DATA PRIVACY

EBPs must respect the privacy of their employees as well as the privacy of P&G employees and consumers. In providing products or services, P&G expects EBPs to properly protect personal data and process it only in accordance with P&G's instructions. P&G expects all EBPs to train their employees (and subcontractors' employees assigned to work on the P&G account) to ensure they understand all requirements and their personal responsibilities for protecting P&G personal data and all P&G information. Our Privacy goal at P&G is to **protect personal data and process personal data only for the purpose for which it was provided**. We do not trade, sell or lease personal information entrusted to us. A complete statement of P&G's privacy policy may be found at:

http://www.pg.com/privacy/english/privacy_statement.shtml



ENVIRONMENTAL SUSTAINABILITY

EBPs must comply with all applicable environmental laws, rules and regulations. P&G recognizes that we must **be responsible for environmental stewardship and using resources wisely**. Our commitments to environmental sustainability are addressed in our Environmental Policies & Statements. EBPs are expected to share P&G's commitments and maximize the value and quality of their products by using resources responsibly, preserving the environment and reducing the environmental footprint of their operations. P&G has made additional commitments for prioritized materials including palm, wood pulp, and paper packaging and EBPs are expected to share these commitments.



SPEAKING UP

We encourage EBPs and employees of EBPs working on P&G's business to 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.**

PHONE:

United States, Canada and Puerto Rico
+1-800-683-3738

Other locations collect:
+01-704-544-7434

Toll free: Go to www.pg-helpline.com for a list of direct dial numbers

WEBSITE

www.pg-helpline.com

MAIL

WBCM Helpline, P&GPMB, 3767,
13950 Ballantyne Corporate Place,
Charlotte, NC 28277



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