

External Party Gifts, Meals, and Entertainment Policy

Policy Approver:	Ethics & Compliance Committee	Date:	September 12, 2016
Policy Contact:	Sharon Abrams, Chief Ethics & Compliance Officer	Last revised:	April 3, 2019
		Region/Scope:	Global / All employees

1.0 Intent

This policy explains what is required before giving or receiving gifts, meals, entertainment, travel, hotel accommodations, or anything of Value to or from External Parties. These requirements help avoid actual or perceived conflicts of interest, resist improper influence, and drive responsible use of P&G assets while managing expectations of employees and External Parties.

If you have any questions about this policy, please consult the Policy Contact listed above, your local Legal or HR representative, or the Ethics & Compliance Office at compliance.im@pg.com

2.0 General Policy Requirements

Exchanging anything of Value with External Parties can (or can appear to) improperly influence business decisions, as well as create strain and awkwardness in the business relationship. This policy will help you navigate such issues.

Employees are required to conduct their work solely in the interests of P&G. Therefore, you must not personally benefit in a meaningful way from any External Party's dealings with P&G. In addition, you must not attempt to improperly influence the employees of External Parties through the use of gifts, meals, entertainment, travel, hotel accommodations, or anything of Value. External Parties may have their own policies about receiving such benefits, which you must also follow.

Providing anything of Value to a Government Entity or Government Official raises special concerns and can result in criminal penalties for you and the Company. The definition of "Government Official" is broad and can include a doctor at a state hospital or a professor at a public university, among others. Giving anything of Value can include donations to a Government Official's favorite charity or offering a job to a Government Official's relative. So always verify if a Government Entity or Government Official is involved. If so, consult the Global Anti-Bribery & Appropriate Contact with Government Officials Policy before proceeding in such situations, no matter the amount or activity involved.

Because it involves exchanges with External Parties, this policy does not cover gifts, travel or entertainment for P&G employees and paid for by P&G when not involving external parties. Nor does it cover routine marketing promotions involving consumers, such as travel included in a sweepstakes prize.

Violating this policy may result in disciplinary action, consistent with local laws, up to and including termination. Employees affected by this policy are expected to read and follow it, directing any questions to the Policy Contact.

2.1 Requirements in All Situations

Act as a responsible steward of P&G's resources. Avoid actual or perceived conflicts of interest and improper influence. This means:

- Pay for gifts, meals, entertainment, or travel for External Parties only if there is a clear and legitimate business purpose. The amount spent must be reasonable and proportional to the expected business benefit.
- Do not make a decision by yourself about receiving gifts, meals, entertainment, travel, or anything of Value from an External Party when you (or your guest) will personally benefit, or may appear to others to personally benefit. If you or your guest will benefit, or if you are not sure, seek written approval in advance from someone in your management line who does not stand to benefit.
- You must not engage in or approve any action that will have the intent, effect, or appearance of improperly influencing specific actions or decisions by an External Party (if P&G is giving Value) or by P&G (if P&G is receiving Value).
- Do not discuss confidential P&G information in front of personal guests or in public places where you could be overheard.

These requirements apply in all cases. The table below describes commonly recurring examples and how to handle them.

Situation	
Business Gifts <i>Significantly Limited</i>	Do not give or receive cash or cash equivalents (e.g. gift cards, lottery tickets) of any amount. Non-cash gifts are allowed but limited to token gifts no more than once per year, as follows: <i>P&G Giving:</i> A token non-cash memento (e.g. product sample, coffee mug, basic pen) for a legitimate business purpose. It must not exceed <u>\$50 USD</u> or lower <u>comparable value in a given market, unless an exception is approved according to Section 2.4.</u> <i>External Party Giving:</i> Where possible, generally do not accept any gifts from External Parties. If polite refusal would be socially awkward, you may accept a token gift on a single occasion, as long as it is token and not cash (such as a T-shirt, coffee mug, inexpensive pens, notebooks or calendars, or a commercially available book written by a consultant). If the gift is not token, or its value is difficult to quantify, but refusing it would offend, you may accept the gift <u>on behalf of P&G</u>, but you must not personally retain it. Ask the Policy Contact for proper handling in such cases or contact compliance.im@pg.com
Donations <i>Significantly limited</i>	Accepting or making donations involving P&G and an External Party is limited to exceptional circumstances. Review the Charitable Giving & Community Relations Contribution Procedures.

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Meals <i>Limited</i>	Paying for business meals involving External Parties (or allowing them to pay for you) <u>may</u> be allowed <u>only if</u> the purpose is to discuss business or build relationships, and the meal is eaten with the External Party. The cost must be reasonable per local Travel & Expense Policy. Over time, the number and value of meals paid for by each party should be comparable. In the case of a prospective External Party seeking P&G business, P&G should pay for the meal, unless your manager approves that each party will cover its own costs. Meals offered as part of conferences or travel are addressed in the sections below.
Conferences and Expert Discussion Sessions <i>Significantly limited</i>	Paying fees for a conference or expert discussion session (such as a business “round-table”) involving External Parties (or allowing them to pay for you) <u>may</u> be allowed <u>only if</u> your manager approves in advance and: <i>P&G Paying:</i> If 1) P&G requests the External Party to attend and 2) the topic benefits P&G more than the External Party or its other partners, or the location is the only place for a business discussion. This may include reasonable meals that are part of the conference or discussion session. <i>External Party Paying:</i> You are participating at the External Party’s invitation, the conference / expert session is organized or sponsored by the External Party, and you receive no special benefit or advantage relative to other invited participants. The External Party may include reasonable meals that are part of the conference or discussion session and complimentary registration for P&G colleagues if the conference is also related to their work. Take care to ensure that any contact with competitors or government officials is within P&G guidelines during such sessions.
Travel & Hotel <i>Significantly limited</i>	Paying the reasonable travel, hotel, and associated meals of External Parties (or allowing them to pay for you) <u>may</u> be allowed <u>if</u> such accommodations are directly related to a meeting involving business or scientific exchange, your manager approves in advance, the cost of any personal guests is not covered, and: <i>P&G Paying:</i> P&G has specifically asked the External Party to (i) deliver a training presentation or (ii) join a demonstration or explanation of P&G’s products and services (such as training before a product launch, experiencing a promotional campaign event of which P&G is a branded sponsor, or visiting a P&G site to engage with P&G technology or research). <i>External Party Paying:</i> You are presenting at a conference by invitation of the External Party, which is also organizing or sponsoring the conference, and all speakers are treated similarly. Sales contests involving customer, wholesaler or distributor representatives can involve travel, hotel, and included meals as prizes if they are performance-based and follow the Procedures to Pay for Customer Travel to P&G Meetings and Events.

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Entertainment <i>Significantly limited</i>	Paying for Entertainment activities involving External Parties (or allowing them to pay for you) is allowed <u>only if</u> your manager approves in advance that the Entertainment is appropriate, conducive to discussing business, and/or builds the business relationship in an appropriate way that a meeting in the office or on the phone could not. If you are hosted by the External Party but you do not obtain your manager’s approval in advance, you must promptly reimburse the External Party for the fair market value of the entertainment ticket with your own personal funds. Due to restrictions on exclusive access, inviting External Parties to Elite Events is further subject to the Sponsored & Elite Events Procedures. Ethics & Compliance Office clearance may also be required for anyone attending Sponsored Event who is not a P&G employee. Please consult the Sponsored & Elite Events Procedures if you seek to invite External Parties to an Elite Event or Sponsored Event.
Personal Guests <i>Significantly limited</i>	P&G does not typically pay any costs associated with the personal guests of employees or of External Parties, whether for business meals, conferences, travel, hotel, or entertainment. Nor does P&G typically pay for—or allow External Parties to pay for—the personal guests of P&G employees. <i>Personal Guests of External Parties:</i> Paying for personal guests of an External Party is limited to exceptional circumstances when your manager approves in advance that this would help build an appropriate business relationship, and your manager is not also attending the event or activity. <i>Personal Guests of P&G Employees:</i> Do not permit an External Party to pay for the personal guests of P&G employees. If there is direct Company benefit, and on an exceptional basis, P&G may pay for a personal guest of a P&G employee to attend a business-related event, whether organized by an External Party or initiated by P&G. This requires the authorization of the relevant P&G GLC member and the concurrence of the BU HR VP. If the requesting employee is a member of the GLC, the Ethics & Compliance Committee must approve. If such authorization is not sought or granted, a P&G employee may bring a personal guest upon approval of the approval of the manager, but at the P&G employee’s own expense.

2.2. Manager’s Approval Tips

By approving the gift, meal, entertainment, travel, or other activity involving your direct report and an External Party, you are confirming compliance with this policy—just as if you were participating yourself. Ask your report if you have questions and make your expectations clear. Being busy or having too many requests to consider is no excuse. Do not make assumptions if you need more information, and do not delegate the details to someone else or a vendor. Facts to support the “legitimate business purpose” of a proposed activity should be concrete and verifiable. The more theoretical the supposed business purpose, the more the activity—and you as its approver—will be subject to scrutiny and second-guessing if it complies with this policy.

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Take care to consider the full context of the request, including who is attending and the setting. A P&G employee's guest should not attend a meal, for example, if the External Party is not also bringing a guest. In addition, a loud rock concert is unlikely to facilitate a proper business discussion if the P&G employee cannot effectively interact with the External Party. And a public trade show at a casino hotel would likely be a poor setting for a confidential business meeting.

In all cases, use appropriate business discretion and judgment before approving. Consider whether the activity is truly necessary for legitimate business purposes; whether it achieves a concrete business goal that you can identify and defend, beyond simply paid-for fun; whether it has the potential to create a real or perceived conflict of interest; whether it could improperly influence specific actions or decisions; or whether it could harm P&G's reputation based on the proposed activity or expense. As a general matter, if you wonder whether an entertainment event or a business meal would be the more appropriate setting, a business meal is the preferred option.

Do not approve an event or activity for your report if you are also attending the same event or activity, as this could present a conflict of interest. If you are unsure about whether the activity is appropriate, or if you may also benefit from the activity, escalate to the next highest line manager who is not attending or benefiting from the proposed activity.

Remember, too, if the activity involves a Government Official or Government Entity, consult the Global Anti-Bribery & Appropriate Contact with Government Officials Policy to ensure you are following its requirements before proceeding.

2.3 Additional Procedures for Specific Roles and Sites

This Ethics & Compliance Office policy sets a global starting point of required conduct. Depending on your role or site, you may need to follow additional business requirements that are more (but not less) restrictive. Check with your manager or HR contact to understand whether additional requirements involving External Party gifts, meals, and entertainment apply to your site and function.

2.4 Exceptions

Only the Ethics & Compliance Committee can authorize exceptions to this External Party Gifts, Meals, and Entertainment Policy. The Committee delegates authority of approving business appropriate gifts above the \$50 limit provided in this Policy to the Vice President of Human Resources—Global Compensation & Benefits and Global Employee & Labor Relations and to the Chief Ethics & Compliance Officer, within defined criteria set forth by the Committee.

3.0 Definitions

Elite Events: the Olympic Games and activities that are not accessible to the general public or whose tickets are too exclusive or expensive for the typical consumer. Examples include Wimbledon, the World Cup, SuperBowl, World Series, or other championship event; and the Oscars, Emmy, Grammy, or similar awards shows.

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Entertainment: tickets or access to sporting, musical, theater or leisure activities such as golf. The entertainment should be open to the general public. If tickets are required, they must be affordable and available to the typical consumer. This includes club/executive boxes/seats at venues if P&G or the External Party owns/leases the box/suite for the entire season or year, and the game or event is part of the regular season. If the box/suite is acquired for a specific event/game, or if the event/game is an extraordinary or championship event, this would be considered an Elite Event and not regular Entertainment.

External Parties: potential or existing customers, suppliers, industry, trade and professional associations, and others who interact with P&G on business matters, excluding consumers and P&G employees.

Gifts: anything of Value that is provided at the giver's discretion, including P&G products and the opportunity to win a prize. Gifts do not include samples provided to agencies for regulatory purposes (for example, as required specimens in product registrations) or distributed to consumers generally for brand awareness building (for instance at the time of a new launch). Gifts also do not include mementoes celebrating a project milestone, such as plaque or paperweight, as long as these are non-cash and have no use or value beyond symbolic commemoration of the event.

Government Entity: a government; a government department, agency, or instrumentality; a political party; a state-owned or controlled company or entity (for instance a public hospital, public university or state-owned media organization); or a public international organization, such as the World Health Organization, the United Nations, or World Bank.

Government Official: an official, employee or other person acting on behalf of any Government Entity, irrespective of title or seniority, or any candidate for foreign political office. For purposes of this policy, Government Officials include individuals who most people may not typically think of as Government Officials, such as doctors and dentists working for a public hospital or other health organization; an employee of a company or business owned or controlled by a government or government agency (e.g., employees of state-run media); a contractor working for a Government Entity (e.g. a contractor working for a port authority); or an official or employee of a public international organization, such as the World Health Organization, the United Nations, or World Bank.

Legitimate Business Purpose: relationship-building, securing goods or services to further P&G's business, and promoting or raising awareness of P&G and its products while protecting the reputation and integrity of our company, our brands, and our people.

Sponsored Event: any Entertainment or Elite Event publicly associated with P&G or one of its brands.

Value: any monetary or non-monetary benefit, including but not limited to cash, cash equivalents, gifts, prizes, inflated commissions, unauthorized rebates, political or charitable donations, offers of

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employment, entertainment, meals, travel-related expenses (even if paid directly to a vendor), services, loans, subsidies, training, and sponsorships.

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