Procter & Gamble Company - Climate Change 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

P&G operates through six industry-based Sector Business Units or SBUs: Fabric and Home Care, Baby and Feminine Care, Family Care and P&G Ventures, Beauty, Grooming, and Health Care. We manage our 10 product categories within these SBUs. Our 10 product categories are: Fabric Care, Home Care, Baby Care, Feminine Care, Family Care , Grooming, Oral Care, Personal Health Care, Hair Care , and Skin & Personal Care

The SBUs have sales, profit, cash and value creation responsibility for our largest and most profitable markets, called Focus Markets—accounting for about 80% of Company sales and 90% of after-tax profit. In each Focus Market, Market Operations works across the six SBUs on scaled market services and capabilities, including customer teams, transportation, warehousing, logistics and representing P&G externally. The rest of the world is organized into Enterprise Markets—a separate unit with sales, profit and value creation responsibility. The SBUs provide innovation plans, supply plans and operating frameworks for the Enterprise Markets to deliver these mutually agreed business goals. Enterprise Markets are important to the future of P&G because of their attractive market growth rates, and the intent is to accelerate this growth and value creation. Supporting the SBUs, Market Operations and Enterprise Markets are key corporate resources focused on scaled services, governance, stewardship and areas requiring high mastery. This structure enables a more empowered, agile and accountable organization to accelerate growth and value creation.

Additional details on our corporate structure are publicly available at https://us.pg.com/structure-and-governance/corporate-structure/

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	July 1 2019	June 30 2020	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

Argentina
Austria
Belgium
Brazil
Canada
Chile
China
Colombia
Czechia
Egypt
France
Germany
Hungary
India
Indonesia
Ireland
Italy
Japan
Malaysia
Mexico
Morocco
Nigeria
Pakistan
Peru
Philippines
Poland
Romania
Russian Federation
Saudi Arabia
Singapore
South Africa
Spain
Switzerland
Thailand
Turkey
Ukraine
United Kingdom of Great Britain and Northern Ireland
United States of America
Viet Nam

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board-level committee	The Governance and Public Responsibility Committee of the Board of Directors, per its charter, has oversight of the Company's commitment to and efforts regarding environmental sustainability, including corporate efforts related to climate change. This committee consists of a Committee Chair and 5 members. The Committee regularly receives updates on overall progress of our sustainability program and goals, including efforts on climate change. The Committee also reports back to the full Board regarding these issues. Board members have broad visibility to overall corporate strategy and objectives and can provide strategic guidance - hence they are well positioned to oversee our citizenship efforts. An example of a decision made the Governance and Public Responsibility Committee was its alignment to the decision for P&G to publish a climate transition action plan by the end of the 2021 calendar year.
Board-level committee	The Company's Board of Directors and its Audit Committee have oversight responsibilities for our Enterprise Risk Management (ERM) program. Sustainability issues, including those related to climate change, are included in the ERM process, so the Audit Committee also considers climate-related issues via their oversight of the ERM process. Additional perspective on this process includes: On a regular basis, a multi-functional team within the Company identifies and assesses potential risk factors as part of our Enterprise Risk Management (ERM) program. Findings and recommendations made through the ERM program are reviewed with senior management as well as the Company's Board of Directors and its Audit Committee, which has oversight responsibilities for the program. This process assesses significant factors that may adversely affect our business, operations, financial position or future financial performance and includes an assessment of environmental sustainability risk factors, including climate change. An example of a decision made by the Audit Committee would be its approval of the Company's Risk Factors for inclusion in the Company's 10-K filing, which included appropriate descriptions of climate-relate risk.
Chief Executive Officer (CEO)	The Chairman and CEO, is a member of our Sustainability Leadership Council (SLC) - a C-Suite management committee that has oversight of our sustainability efforts, including climate change. The SLC provides strategic direction, alignment to goals and objectives, and alignment on budget needs and regularly reviews progress vs. goals. The SLC has oversight responsibilities for our sustainability efforts, including climate change, because they are senior leaders who have a deep understanding of our business and have the authority, influence, and resources to act on climate-related risks and opportunities. An example of a decision made by our Chairman and CEO was to approve a new climate goal that our manufacturing operations will become carbon neutral for the decade (2020-2030). This goal will be achieved by reducing our Scope 1 & 2 emissions by 50% (an approved science-based target), and we will balance remaining emissions by advancing a portfolio of natural climate solutions that will deliver a carbon benefit equal to our remaining emissions.

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy Reviewing and guiding major plans of action Monitoring implementation and performance of objectives	<Not Applicable>	The Governance and Public Responsibility Committee of the Board of Directors, per its charter, has oversight of the Company's commitment to and efforts regarding environmental sustainability, including corporate efforts related to climate change. On a regular basis, members of the committee are provided an update on overall progress of our sustainability program and goals, including efforts on climate change. Committee members are available to review and provide guidance on climate strategy, action plans, and performance vs. objectives. Discussions on specific elements of climate strategy, action plans, and implementation of performance objectives can be brought forward to this committee on an as-needed basis. The Committee also reports back to the full Board on these issues. Board members have broad visibility to overall corporate strategy and objectives and can provide strategic guidance to ensure appropriate effort and focus, hence they are well positioned to oversee of our environmental sustainability efforts.
Scheduled – some meetings	Reviewing and guiding major plans of action Reviewing and guiding risk management policies	<Not Applicable>	Climate Change is one of the elements assessed as part of our Enterprise Risk Management (ERM) program. Senior management, teh Company's Board of Directors, and its Audit Committee review outcomes of the ERM Process on a regular basis so they can provide guidance on risk management practices. Additional perspective: The ERM process assesses significant factors that may adversely affect our business, operations, financial position or future financial performance and includes an assessment of environmental sustainability risk factors, including climate change.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Other C-Suite Officer, please specify (Sustainability Leadership Council) *The Chairman and CEO is part of our Sustainability Leadership Council which meets quarterly. This meeting provides an opportunity to discuss all sustainability related topics on an at least quarterly basis, including climate change as appropriate.*	<Not Applicable>	Both assessing and managing climate-related risks and opportunities *The Chairman and CEO is part of our Sustainability Leadership Council which meets quarterly. This meeting provides an opportunity to discuss all sustainability related topics on an at least a quarterly basis, including climate change as appropriate.*	<Not Applicable>	Quarterly
Chief Sustainability Officer (CSO) *Our CSO has regular meetings with the Chairman and CEO to discuss matters related to our environmental sustainability efforts, including climate change. While climate change may not be an agenda topic for every meeting, we have the opportunity to bring forward climate change related topics via these meetings.*	<Not Applicable>	Both assessing and managing climate-related risks and opportunities *Our CSO has regular meetings with the Chairman and CEO to discuss matters related to our environmental sustainability efforts, including climate change. While climate change may not be an agenda topic for every meeting, we have the opportunity to bring forward climate change related topics via these meetings.*	<Not Applicable>	Quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

The Sustainability Leadership Council (SLC) is a **C-Suite management committee** that has oversight of our sustainability efforts including climate change. The SLC is chaired by our Executive Sponsor for Sustainability (currently CEO Global Fabric and Home Care). Other members of the SLC include our Chairman and CEO, the Chief Marketing Officer, Chief R&D Officer, Chief Manufacturing Officer, President of Europe SMO, Chief Legal officer, Chief Sustainability Officer, Chief Communications Officer, and the Vice President of Sustainability. The SLC provides strategic direction, alignment to goals and objectives (including climate strategy & goals), and alignment on budget needs (e.g. budget to support climate related efforts such as our Natural Climate Solutions program). It also regularly reviews progress versus goals, including climate goals. As described below (see note on Climate Council), the VP of Sustainability, who chairs the climate council, meets regularly with the CSO (monthly) and updates her on relevant climate related issues. The CSO and VP participate in SLC meetings providing a direct link to the most senior officers in the company who have the authority, influence, and resources to act on climate related risks and opportunities in alignment with our corporate strategy.

The Chief Sustainability Officer (CSO) is accountable for our overall sustainability efforts, including climate change. As noted above, the CSO is a member of the SLC and is briefed on climate related efforts by our VP of Sustainability. The VP of Sustainability chairs our climate council (described below) and meets regularly with the CSO (monthly) and updates her on relevant climate related issues. As the senior sustainability officer for the company, the CSO provides strategic guidance and alignment for all climate related efforts. Responsibility for climate-related issues have been assigned to the CSO role because that role is the leader of our environmental strategy and has the authority, influence and resources to act on climate-related risks and opportunities in alignment with our corporate strategy.

Additional perspective on the Corporate Climate Council: The Vice President of Sustainability chairs this council. The Climate Council consists of the Vice President of Sustainability, P&G Manufacturing Sustainability Leader (part of P&G's manufacturing organization), Energy Purchases Leader (part of P&G purchases organization), Climate and Energy Conservation Leader (part of P&G's manufacturing organization), Senior Director of Government Relations (part of P&G's legal organization), R&D Environmental Stewardship Leader, and Communications. The Council identifies and assesses climate related risks, develops and oversees overall climate strategy, and monitors progress versus goals. The climate council has the responsibility to assess and monitor climate related issues as its members monitor external developments on climate change, are engaged with external groups that focus on climate change, and are embedded in key organizations within the Company that are deeply involved in our climate change efforts. The VP of Sustainability, who chairs the climate council, meets regularly with the CSO (monthly) and updates her on relevant climate related issues. The CSO and VP participate in SLC meetings referenced above, providing a direct link to the most senior officers in the company who have the authority, influence, and resources to act on climate related risks and opportunities in alignment with our corporate strategy.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity inventivized	Comment
Chief Sustainability Officer (CSO)	Monetary reward	Emissions reduction target Efficiency target Other (please specify) (Performance vs. overall sustainability targets)	Our Chief Sustainability Officer is accountable for overall sustainability program and performance vs. objectives and goals. This includes all climate related aspects of our sustainability program - including our GHG emission reduction and energy goals. Within Procter & Gamble, annual performance reviews impact overall compensation levels. As our CSO's performance review is influenced by corporate performance on key goals and objectives (including our climate goal of a 50% reduction in GHG emissions), this influences her compensation.
All employees	Monetary reward	Energy reduction target	P&G's Power of You program is designed to provide flexible, simple, and consistent recognition of employees by offering gift certificates (or recognition) where the employee can select their store/merchant in most countries. Cash awards will be offered in the few countries where there are not sufficient stores/merchants available and will be paid to employees through the standard payroll process. Awards will be offered in the currency where the recipient is currently working and are adjusted to ensure comparable purchasing power in each country. The value of all taxable awards will be grossed up where possible to cover any applicable taxes. This allows the employee to realize the full value of the award. The Power of You system can be used to recognize/reward a wide range of efforts, including emission reduction projects, energy reduction projects, and achieving climate related goals as well as efforts unrelated to climate change. (Energy reduction targets selected above as one example of what can be in scope for Power of You but it is not the only type of project/effort recognized by Power of You)
All employees	Non-monetary reward	Other (please specify) (Any climate related project or effort)	P&G's Power of You program is designed to provide flexible, simple, and consistent recognition of employees by offering formal acknowledgement via an e-Card that can be sent to any employee recognizing a job well done. These are non-monetary recognitions but the individual's direct manager is notified to ensure the recognition is factored into relevant performance appraisals. .

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?
Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	1	3	These are the time frames we use when considering climate change related issues.
Medium-term	3	10	These are the time frames we use when considering climate change related issues
Long-term	10	30	These are the time frames we use when considering climate change related issues

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

As part of our Enterprise Risk Management process, the Company assesses the significance of potential risks based on several factors, including potential financial impacts, impacts to corporate reputation, impacts on customer demand, potential for business disruption, impacts on employee and staffing needs, and legal or regulatory risk. Within each of these dimensions, impacts are characterized as low, medium, or high (or, for financial impacts, very high). The extent of low, medium, high and very high impacts across these dimensions is then used to assess overall enterprise risks. The thresholds for very high/high/med/low for financial impacts are assigned dollar levels: (1) impacts below $10 million or between $10 million-$50million are low; (2) $50 million-$125 million are medium; (3) $125 million-$300 million or $300 million-$650 million are high; and (4) $650 million -$1 billion or more are very high. The thresholds for high/medium/low for remaining impact areas are qualitative descriptors.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
Annually

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
P&G's Climate Council (an internal, multi-functional team of our leading climate experts) assesses overall climate risks. The most recent assessment was conducted by reviewing the transitional and physical risk factors listed in the Task Force on Climate Related Financial Disclosures. This assessment was further informed by a qualitative scenario analysis of both a 2 degree and 4 degree scenario. As we assessed both transitional and physical risks, the assessment included all value chain stages as well as short, medium, and long term considerations. . The chair of P&G's Climate Council participates in our corporate Enterprise Risk Management process. In this way, conclusions from the Climate Council Assessment are integrated into our broader Enterprise Risk Management process. Integrating climate related factors into the Enterprise Risk Management process allows the organization to determine the significance of climate related risks relative to other risks. As part of our Enterprise Risk Management process, we assess the significance of potential risks based on several factors, including potential financial impacts, impacts to corporate reputation, impacts on customer demand, and potential for business disruption. Within each of these dimensions, impacts are characterized as low, medium, and high. The extent of low, medium and high impacts across these dimensions is used to assess overall enterprise risks. The thresholds for high/med/low for financial impacts are assigned dollar levels; the thresholds for high/medium/low for remaining impact areas are qualitative descriptors. One example of a physical risk identified during the Climate Council Risk Assessment Process was the potential impact of increased water scarcity on certain manufacturing locations. As a result of this analysis, our water experts in R&D and Manufacturing created and implemented a formal three tiered waster risk assessment process for all P&G manufacturing sites worldwide. 24 manufacturing sites were classified as Tier 3 (highest risk) and were required to perform detailed assessments, prioritize risks for mitigation, and develop site specific water stewardship plans. Sites used the Alliance for Water Stewardship (AWS) International Water Stewardship Standard 1.0 steps 1-3 to guide this process. An example of a Tier 3 site advancing an element of their water stewardship efforts includes our Mexico Hair Care plant. The employees of this plant are committed to reducing their use of fresh water and are using innovative data analytics to drive actionable insights from water meters installed throughout the site. This data provides the plant with a daily understanding of water consumption so it can act immediately to eliminate losses. The plant can also benchmark its water efficiency performance with other sites. In the first month of operation, the site identified five projects that could improve its production adjusted water efficiency by 10%. One example of a transitional risk identified during the Climate Council Risk Assessment Process was the potential for government and policy actions that increase the costs of carbon intensive energy or materials that in turn could results in an increased cost for energy or raw materials. This analysis reinforced the need to maintain our focus on reducing overall energy use and increasing our use of renewable energy. Based on this analysis, members of the Climate Council recommended to the Sustainability Leadership Council that the Company accelerate our efforts on renewable energy. In 2018 we announced a commitment to purchase 100% renewable electricity for our US operations. We delivered that commitment 1 year early and expanded the scope - so that today 100% of our purchased electricity in the United States, Canada, and Western Europe comes from renewable sources. This brought our global use of purchased renewable electricity to ~70% and put us well on our way to our goal of purchasing 100% renewable electricity by 2030.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Current regulations related to green house gas emissions have the potential to be relevant to our operations. An example of the type of risk considered would be change to a current regulation that significantly increased fees/taxes on GHG emissions or capped GHG emissions. Specific example is the fact we are currently regulated under California Cap and Trade requirements. Should CA Cap & Trade regulations become more stringent in the future, or should other states where we have manufacturing facilities implement similar requirements, that could impact our business. This risk was included as one of the risk areas assessed in our climate risk assessment process - including assessment of how increases in carbon prices over time could impact total compliance costs.
Emerging regulation	Relevant, always included	Emerging regulations related to green house gas emissions or carbon intensive fuels/materials have the potential to be relevant to our operations. An example of the type of risk considered would be a new regulation that significantly increased fees/taxes on GHG emissions or carbon intensive materials - which in turn could increase operating costs or costs of carbon intensive raw materials. Specific relevance is that we have manufacturing operations in the United States and the U.S. currently does not have a national policy approach for pricing carbon. We are currently part of the Climate Leadership Council which is exploring a carbon dividends approach as a possible future policy vehicle for the United States. Regulatory risks were one of the risk areas assessed in our climate risk assessment process - including assessment of what the introduction of new carbon prices over time could impact total compliance costs
Technology	Relevant, always included	Technological improvements or innovations that support the transition to a lower-carbon, energy-efficient economic system have the potential to be relevant for our operations as both a risk and an opportunity. Therefore technology development, including new product forms or services, are considered as part of our evaluation of risks. A failure to innovate and meet consumer desire for low carbon/energy efficient products could represent a risk if consumer desire for these products grows in a category relevant to P&G. To date, this has actually represented an opportunity for the Company as cold water detergents are one example of a technology evolution that is relevant to our business allowing our consumers to use less energy when laundering clothes and we have further innovated to provide consumers detergents that provide outstanding performance in cold water. Technology was one of the factors considered in the risk areas assessed in our climate risk assessment process via discussion of Technological improvements or innovations that could evolve to mitigate climate risks.
Legal	Relevant, always included	Examples of the types of risks considered could include litigation triggered by a failure to meet enhanced emissions reporting obligations or failure to meet mandates /regulation of existing products and services as well as the impacts of being accused of false or misleading claims related to climate related efforts. Specific examples could include litigation that alleges a P&G made a false or misleading claim about our climate efforts. Legal risks were one of the risk areas assessed in our climate risk assessment process - via discussion on the implications from potential future reporting obligations and potential increased prevalence of climate related claims in the future.
Market	Relevant, always included	Changing consumer behavior, uncertainly in market signals, and increased costs of raw materials are potential climate related risks that are could be relevant for our company and are included as part of our risk assessment. For example, a consumer trend to move away from laundry detergents that do not perform well in cold water is one specific examples of possible risk relevant for the Company. (If consumers moved away from laundry detergents that do not perform well in cold water, and if we fail to provide consumers products that perform well in cold water, it could result in lost sales. We have had a sustained focus on developing detergents that perform well in cold water.) Market risks were one of the risk areas assessed in our climate risk assessment process - via discussion of how changing consumer behavior, uncertainly in market signals, and increased costs of raw materials could impact the business.
Reputation	Relevant, always included	Examples of the types of risks considered include a shift in consumer preferences based on perception of corporate climate stewardship, increased stakeholder concern or negative feedback based on perception of insufficient efforts to address climate related issues. Failure to meet greenhouse gas emission reduction goals is a specific relevant example. Reputation risks were one of the risk areas assessed in our climate risk assessment process via discussion of how changes in consumer preferences based on perception of corporate climate stewardship, increased stakeholder concerns could impact our business.
Acute physical	Relevant, always included	Examples of the types of risks considered include the potential for increased severity of extreme weather events such as hurricanes and floods (relevant for manufacturing and supply chain). P&G has manufacturing locations around the world, including locations that can be subject to hurricanes and tornados. A specific example of this risk was the loss of a warehouse in our Albany, GA facility as the result of a tornado. Acute physical risks were one of the risk areas assessed in our climate risk assessment process via discussion of how increasing frequency of severe weather events due to climate change could impact our business operations (e.g. supply chain, manufacturing locations, etc.)
Chronic physical	Relevant, always included	Examples of the types of risks considered would include changes in precipitation patterns, rising mean temperatures, rising sea levels. These factors could be relevant to operations, supply chain, and consumer use of our products. As a company we rely upon highly efficient and functioning distribution systems. Disruptions caused by chronic physical risks could disrupt distribution networks. Chronic physical risks were one of the risk areas assessed in climate council review of risks via discussion on how in precipitation patterns, rising mean temperatures, rising sea levels could impact our business operations (e.g. supply chain, manufacturing locations)

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Policy actions that increase the pricing/cost of GHG emissions or fossil-based energy could result in increased costs for manufacturing operations. To date, existing Country level regulations have had very little impact on P&G operations as most of our operations are not energy intensive. The United States, in which we have operations, currently does not have a national level pricing system on GHG emissions. Depending on the structure of future policy action in the United States the operating costs for P&G manufacturing facilities located in the US could increase - potentially impacting production of all P&G brands manufactured in the U.S. The US represents P&G's largest global manufacturing footprint, with ~ 30% of operations facilities located there. The U.S. market represents ~ 45% of P&G's net sales.

Time horizon

Medium-term

Likelihood
About as likely as not

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
6000000

Potential financial impact figure – maximum (currency)
48000000

Explanation of financial impact figure
In FY 19/20 P&G's global Scope 1 emissions were ~2 million metric tons. Under the assumption that 60% of our Scope 1 emissions were covered by an emissions tax that charged a dollar fee per ton of emissions, a range of impacts can be modeled. For the calculation above we used a range of $5/ton - $40/ton was used. It is very unlikely that all Scope 1 emissions would be covered by an emissions tax as many of our sites would be below likely threshold levels, so we utilized 60% to inform the hypothetical range of impacts cited above.

Cost of response to risk
0

Description of response and explanation of cost calculation
Situation: Future policy actions that place a price on carbon emissions could result in increased costs. Task: Manage this risk by reducing our GHG emissions. Actions & Results:: 1. Reducing scope 1 and 2 GHG emissions - P&G has a goal to reduce GHG emissions by 50% on an absolute basis by 2030 (vs. 2010 baseline). This is a Science Based Target that supports the objective of limiting global temperature to well below 2* C. As of June 30, 2020, we estimated that we had reduced our Scope 1 and 2 GHG emissions by 52% vs. 2010. 2. Increasing our use of renewable energy - P&G currently purchases 100% renewable electricity the U.S., Canada, and Western Europe. We have a goal to purchase100% renewable electricity globally by 2030. As of June 30, 2020, P&G purchased ~ 70% renewable electricity globally. 3. Reducing overall energy consumption - As of June 30, 2020, P&G had reduced energy consumption by ~ 19%. These efforts have delivered over $500 million in cumulative cost savings since 2010 In addition to reducing emissions, P&G is a member of the Climate Leadership Council, which is exploring how the US could pursue a carbon dividend program as a national policy to drive reductions in GHG emissions. We believe this type of policy approach would provide industry the greatest transparency, predictability, and certainty and would serve to mitigate transition risks should the US advance national policy on GHG emissions pricing. Given that our cumulative energy conservation efforts have saved over $500 million since 2010, we believe any incremental costs incurred to date associated with management actions above (e.g. staffing, equipment upgrades, procuring RECs, employee training, etc.) have been offset. For for that reason, we have listed the cost of response as $0. As we continue to advance our efforts it is possible additional costs may arise and we will modify future responses as warranted.

Comment
With the breadth and diversity of our operations, it is not feasible to provide an estimate of the potential impact that would represent all scenarios under the various risk areas. We have used various assumptions and modelling to arrive at the figures represented above, with more detailed explanations provided as appropriate. Actual results in any specific instance could vary from these figures depending on a number of factors.

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Downstream

Risk type & Primary climate-related risk driver

Market	Changing customer behavior

Primary potential financial impact
Decreased revenues due to reduced demand for products and services

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Future impacts from climate change could result in higher energy costs for consumers as well as increased water scarcity in some regions. In areas with higher energy costs or increased water scarcity consumers may look for products that require less energy or water during the consumer use phase. In these circumstances, failure to provide consumers with options that better meet their needs could cause consumers to select alternate products that do. For our Fabric Care business (which makes P&G laundry detergents like Tide and Ariel), energy costs would be more relevant in regions where machine washing of clothes is common (e.g. US, Europe) while potential impacts of water scarcity on product use would be most relevant for P&G products that require water during the use phase in regions of high water stress (e.g. P&G shampoos and laundry detergents used in one of the 18 priority basins that P&G has publicly identified including Southwest US, northern China and India). A company specific risk would be a failure to provide laundry detergent products that meet consumer needs for energy efficiency or low water consumption which could result in these consumers choosing competing brands that better meet their needs/expectations.

Time horizon
Medium-term

Likelihood
Unlikely

Magnitude of impact
Low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
0

Potential financial impact figure – maximum (currency)
35000000

Explanation of financial impact figure
Given the myriad of markets and number of products we offer, it is not feasible to provide an estimate of the potential impact that would represent all scenarios. However, assuming a hypothetical scenario where some consumers in our European region believe P&G Fabric Care products do not meet their needs for energy or water efficiency, and that results in a decrease of 1% of sales in European region, the predicted impact would be ~ $35 million in lost net sales. This figure is based on FY 19/20 Fabric Care sales data with Europe representing ~22% of overall corporate net sales. This assumption was the basis for the range cited above. (Note this example cites lost net sales). While this is a hypothetical scenario, we would note that water is inherently a local phenomenon so we expect implications from water scarcity to be localized to markets where water scarcity is high. (e.g. Mexico City, Southwest U.S., parts of China and India). Laundry detergent is the category where energy use during consumer use phase (energy required to heat the water used in automatic machine washing) is more relevant and impact would likely be determined by whether detergent performs well in cold water. This is more relevant in regions with high penetration of machine washers (e.g. U.S. , Europe). We have a sustained focus on delivering detergents that work well in cold water so we see this more as an opportunity than a risk if managed appropriately.

Cost of response to risk
0

Description of response and explanation of cost calculation
Situation: Increased energy costs and increased water stress could result in consumers preferring products that use less energy or water across various product categories. If P&G brands do not to meet changing consumer needs, they may choose to buy competing brands. Task: We manage this issue via a relentless focus on innovation to better meet consumer needs. Actions and Results: We have a sustained focus on providing consumers laundry detergents that provide outstanding performance in low energy machine washing loads. We achieved our goal to get 70% of all machine wash loads in low energy cycles and have seen low energy loads rise from 38% to 70%. Providing consumers detergents that deliver great performance in low energy loads mitigates potential impacts and creates the opportunity to better meet consumer needs. We actively promote this benefit to consumers and have run multiple campaigns to promote cold water washing. We have estimated that avoided emissions from the increase in low energy washing since our baseline year of 2010 have been more than 20 million tons of CO_2 equivalents. Our Tide and Ariel brands continue their focus on low energy washing, with Tide having a goal to get 3 of 4 leads done in cold instead of hot by 2030 and Ariel having a goal to reduce average wash temperature in Europe by five degrees by 2025. We also achieved our goal to provide 1 billion consumers access to water efficient products by 2020. Water efficient products are products that offer a meaningful reduction in water consumption during the consumer use phase. We provided access to 1 billion consumers, meeting our 2020 goal. Providing water efficient products mitigate potential impacts and we also create an opportunity to better meet consumer needs. We actively promote this product benefit to consumers and have run multiple campaigns to promote water conservation. The costs to develop and market these products (e.g. product development costs, advertising costs) in Fabric Care and broader product categories are part of our normal approach of developing and delivering products that better meet consumer needs. We would not attribute these costs solely to climate change management but rather view them as an integrated part of our overall mission to better meet consumers needs. That is why we have listed incremental costs related to this response as $0.

Comment
With the breadth and diversity of our operations, it is not feasible to provide an estimate of the potential impact that would represent all scenarios under the various risk areas. We have used various assumptions and modelling to arrive at the figures represented above, with more detailed explanations provided as appropriate. Actual results in any specific instance could vary from these figures depending on a number of factors.

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact
Other, please specify (Disruption of manufacturing operations)

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
P&G has over 100 manufacturing locations in over 30 countries around the world. Increased severity and frequency of extreme weather events could result in the loss of or damage to manufacturing facilities as well as disruption in supply chains. Given our global manufacturing footprint and the broad areas over which weather extremes could occur, a large percentage of our sites could be exposed to this risk. Local flooding from heavy and sustained rains could interrupt site operations at manufacturing and distribution centers (e.g. flooding has interrupted operations at our facility in Mehoopany, PA). Severe weather, including tornados, could also damage building structures (e.g. a tornado impacted Jackson, TN facility in 2003 when P&G still owned and operated the facility). In 2017, severe weather and a large tornado hit the Albany, GA Bounty and Charmin manufacturing plant destroying the over 1 million sq. ft. warehouse and distribution facility co-located with that facility. P&G has since rebuilt the warehouse, intentionally designing for sustainability, and proactively achieving LEED Silver certification under the new LEEDv4 standards. In addition, Large hurricanes/typhoons can also impact incoming raw materials and supply chain operations (e.g. hurricanes that have hit the gulf coast of the United States have impacted supply chain operations in the past).

Time horizon
Short-term

Likelihood
About as likely as not

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)
0

Potential financial impact figure – maximum (currency)
55000000

Explanation of financial impact figure
Given the diversity of sites P&G operates and the vast nature of our supply chain, it is not feasible to provide a meaningful estimate of of all possible impacts. The complete loss of a very large, strategic site could have significant impact. If a smaller site were damaged and temporarily stopped operations the impact would be much less significant. We also have ~ 100 manufacturing sites and a broad supply chain such that when responding to an incident we often have the flexibility to shift production or identify alternate supply until normal operations are restored at the impacted site. However, in 2017 severe weather and a large tornado hit the Albany, GA Bounty and Charmin manufacturing plant destroying the over 1 million sq. ft. warehouse and distribution facility co-located with that facility. The approximate costs associated with this incident were $55 million and were associated with repairs, lost inventory, and rerouting distribution. We used this historical example to inform the range cited above. As noted earlier, the potential range of impacts could be broader based upon the assumed scenario.

Cost of response to risk
0

Description of response and explanation of cost calculation
Situation: Climate change could result in increasing frequency of severe or extreme weather events that could result in the loss of or damage to manufacturing facilities. Task: Proactively maintaining a corporate business continuity planning process. Actions and Results: P&G has implemented a business continuity planning process which includes each site developing a business continuity plan. These plans include contingency planning for extreme weather events. New site selection procedures include an assessment of location specific risks, which in turn considers relevant risks like frequency and likelihood of extreme weather events. While this is one of many site assessment factors , consideration of climate related risks is a part of assessing new site locations. The management actions cited above are part of our core due diligence and responsible operations. We do not consider the costs associated with them (e.g. costs such as staff time, consultant fees, study fees, employee training, etc.) to be unique or incremental just for climate change which is why we have listed response cost at $0 . As our efforts evolve, it is possible we may choose to take additional steps to address this risk. Should future actions carry incremental cost impacts we will update future responses accordingly.

Comment
With the breadth and diversity of our operations, it is not feasible to provide an estimate of the potential impact that would represent all scenarios under the various risk areas. We have used various assumptions and modelling to arrive at the figures represented above, with more detailed explanations provided as appropriate. Actual results in any specific instance could vary from these figures depending on a number of factors.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Development of new products or services through R&D and innovation

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
The use phase of our laundry detergents is one of the highest GHG impact areas across all P&G Scope 1,2 and 3 emissions. (Energy required to heat the water that is used during machine washing of clothes). We have developed laundry detergents that deliver outstanding performance in low energy washing cycles. This includes both Tide and Ariel laundry brands which communicate their performance in cold water to consumers. Consumers who use low energy cycles can lower energy bills and reduce GHG emissions associated with laundering clothes. By providing consumers with detergents that provide outstanding performance in low energy cycles, including High Efficiency Machine "Quick &Cold" cycles, we enable our consumers to save both money and time. This can lead to consumer preference of our brands and help to grow our business by better meeting consumer needs. We have opportunities across other P&G categories; however, we are limiting this specific opportunity to Fabric Care.

Time horizon
Short-term

Likelihood
More likely than not

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
150000000

Potential financial impact figure – maximum (currency)
300000000

Explanation of financial impact figure
Given multiple drivers of consumer preference and product choice, it is difficult to generate a meaningful estimate of impact. However, we have been tracking consumer use of low energy loads and have seen an increase in the percentage of loads done in low energy cycles (from 38% to 70%), so we believe this to be a consumer relevant performance attribute. We continue to see increasing penetration of HE machines in key markets and believe HE Quick & Cold performance will be a relevant consideration for consumers who use HE machines. To illustrate a range of hypothetical impacts, if we assume our Fabric Care business unit (which includes our laundry detergent business) was able to grow net sales 1%-2% based on consumer preference for detergents that perform well in cold water washing the expected impact based on fiscal year 19/20 global net sales is a range of $150 - $300 million. Please note this is based on a hypothetical scenario to help illustrate a range of impacts; - it is not a projection of future growth or sales.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
Situation: Providing products that better meet consumer needs can results in sales growth. Providing laundry detergent products that deliver outstanding performance in low energy cycles can save consumers time & money while lowering GHG emissions. Task: Develop laundry detergent formulas which deliver outstanding performance in low energy cycles. Actions & Results: We have innovated to develop laundry detergent formulas that deliver outstanding cleaning performance in low energy cycles. We have also had several consumer education and awareness campaigns, including our Ariel Brands 'Turn to 30" campaign in Europe as well our Tide Brands "Sustainable Laundry Pledge" program in the US. The objective for these efforts was to encourage consumers to use low energy cycles when laundering clothes. We have seen a steady increase in the percent of loads done in low energy cycles (increase from baseline of 38% to current result of 70%) and attribute some of these increases to programs like the ones above. (Please see https://tide.com/en-us/about-tide/sustainability for one example of how we are helping consumers understand the sustainability benefits of low energy washing.) We have estimated that avoided GHG emissions from the increase in low energy washing since our baseline year of 2010 have been in excess of 20 million tons of CO_2 equivalents. The costs to develop and market these products (e.g. product development, advertising, etc.) are part of our normal approach of developing and delivering products that better meet consumer needs and we do not see this as an incremental cost uniquely attributed to climate change efforts which is why we have listed the response cost as $0.

Comment
With the breadth and diversity of our operations, it is not feasible to provide an estimate of the potential impact that would represent all scenarios under the various opportunity areas. We have used various assumptions and modelling to arrive at the figures represented above, with more detailed explanations provided as appropriate. Actual results in any specific instance could vary from these figures depending on a number of factors.

Identifier
Opp2

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of recycling

Primary potential financial impact
Reduced direct costs

Company-specific description
Within our Ambition 2030 program, P&G is working to develop a more circular end-to end supply chain. Zero manufacturing waste to landfill represents an opportunity to improve resource efficiency, decrease cost, and reduce our environmental footprint. Currently all P&G manufacturing sites have achieved zero manufacturing waste. Since 2008, the zero waste team has helped save P&G more than $2 billion cumulative and has helped divert more than 7 million tons of waste from the landfill. A critical component of driving this result was the formation of a dedicated team of experts who worked across our manufacturing sites to find alternative solutions for existing waste streams. This drove efficiency and scale as learnings, technology, and commercial relationships could be reapplied and scaled.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium-high

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
2000000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Since 2008 P&G has been working towards achieving zero manufacturing waste to landfill which includes taking materials that would otherwise have been discarded as waste to landfill and find alternative uses. Since 2008 we have saved over $2 billion cumulative in reduced disposal cost, cost avoidance, beneficial reuse, and revenue from alternative uses. Cost savings are calculated by adding the yearly savings or revenue associated with repurposing manufacturing waste, upcycling un-used finished product, finding a beneficial re-use for scrap raw materials/packaging, and recycling/sales of capital equipment and parts. Diverted waste is calculated by adding the yearly amount of waste that is beneficially reused (avoiding landfills) per our annual external Citizenship report. We are not able to project future savings based off the ever-evolving regional waste regulations and landscape but it is reasonable to expect some level of continued cost savings and avoidance from ongoing waste diversion efforts.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation
Situation: Driving all P&G manufacturing sites to zero manufacturing waste to landfill represents an opportunity to drive circular economy principles and realize cost savings Task: Achieve and maintain 100% of P&G manufacturing sites to zero manufacturing waste to landfill. Actions and Result: P&G created a Global Asset Recovery Program where a dedicated team of resources analyzed existing waste streams, researched possible solutions, and worked with service providers to find alternative end of life scenarios for existing waste streams. All P&G manufacturing sites have now qualified as zero manufacturing waste to landfill. Since 2010 we have achieved over $2 billion cumulative in cost savings which offsets any incremental costs (e.g. staff time, research, consultant fees) we have incurred to achieve these results which is why we have listed the response cost as $0. We will continue to undertake these activities to build on the cumulative cost savings delivered with an objective to drive even more savings/efficiencies into the future.

Comment
With the breadth and diversity of our operations, it is not feasible to provide an estimate of the potential impact that would represent all scenarios under the various opportunity areas. We have used various assumptions and modelling to arrive at the figures represented above, with more detailed explanations provided as appropriate. Actual results in any specific instance could vary from these figures depending on a number of factors.

Identifier
Opp3

Where in the value chain does the opportunity occur?
Direct operations

Opportunity type
Resource efficiency

Primary climate-related opportunity driver
Use of more efficient production and distribution processes

Primary potential financial impact
Reduced direct costs

Company-specific description
Reducing energy use via a focus on energy efficiency helps decrease overall energy costs. Since 2010, P&G has reduced energy use by 19% per unit of production and cumulative cost savings from these efforts since 2010 have exceeded $500 million. These efforts encompass all P&G manufacturing sites across all aspects of operations (e.g. receiving, production, packaging, utilities, cleaning & sanitization, etc.).

Time horizon
Short-term

Likelihood
About as likely as not

Magnitude of impact
Medium-low

Are you able to provide a potential financial impact figure?
Yes, a single figure estimate

Potential financial impact figure (currency)
500000000

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
Since 2010, P&G has reduced energy use by 19% per unit of production and cumulative cost savings from these efforts since 2010 have exceeded $500 million. These efforts encompass all P&G manufacturing sites across all aspects of operations (e.g. receiving, production, packaging, utilities, cleaning & sanitization, etc.). Future energy efficiency gains will continue to be a priority for P&G and will likely continue to represent a cost savings going forward.

Cost to realize opportunity
0

Strategy to realize opportunity and explanation of cost calculation
Situation: Reducing energy use can drive cost savings and reduce GHG emissions. Task: Reduce energy use at P&G sites . Actions & Results: 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 employees 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. Due to these efforts we have improved energy efficiency by 19% per unit of production since 2010 which has resulted in over $500 million in direct cumulative savings and reduced GHG emissions. We will continue to undertake these activities to build on the cumulative cost savings delivered with an objective to drive even more savings/efficiencies into the future. While there are costs associated with delivering this result (e.g. staffing, training employees, equipment upgrades) we achieved a net cost savings hence we have listed response cost as $0.

Comment
With the breadth and diversity of our operations, it is not feasible to provide an estimate of the potential impact that would represent all scenarios under the various opportunity areas. We have used various assumptions and modelling to arrive at the figures represented above, with more detailed explanations provided as appropriate. Actual results in any specific instance could vary from these figures depending on a number of factors.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1b

(C3.1b) Does your organization intend to publish a low-carbon transition plan in the next two years?

	Intention to publish a low-carbon transition plan	Intention to include the transition plan as a scheduled resolution item at Annual General Meetings (AGMs)	Comment
Row 1	Yes, in the next two years	No, we do not intend to include it as a scheduled AGM resolution item	We have heard from some investors they do not see the need for Climate Transition Plans to be a scheduled AGM resolution item and primarily want to see the plans published in the public domain. We have committed to publish a plan by the end of 2021.

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
RCP 2.6 RCP 8.5	To better inform our identification of relevant risks and impacts, we reviewed transitional and physical risks identified in the Task Force for Climate Related Disclosure Guidelines and conducted a qualitative scenario analysis for two different scenarios: 2º Scenario: Informed by IPCC AR5 RCP 2.6, this scenario presumed CO2 emissions peak in 2020 and decrease while global temperature increases by up to 2º C. Under this scenario, we assumed regulatory and governmental policy interventions successfully controlled GHG emissions and that the impacts of physical risks (e.g. extreme weather) were not significant. In this scenario the primary impacts were higher costs for carbon intensive fuels, operations, and goods. 4º Scenario: Informed by IPCC AR5 RCP 8,5, this scenario presumed the carbon budget is exhausted by 2045 and global temperature rises by up to 4.8ºC by 2100. Under this scenario we assumed widespread policy failure to limit GHG emissions and lack of investment in low carbon technologies. In this scenario, the physical risks from climate change were much more relevant (e.g. frequency and intensity of extreme weather events, water scarcity and food shortages impacting the stable functioning of consumer markets and the ability of consumers to use/buy our products). The scenario analysis considered potential impacts across supply chain, operations, consumer use of products, and reputation using the time horizons specified above. Insights from the scenario analysis confirmed the focus areas for business objectives, goals, and strategies were appropriate - including both our 2020 and 2030 climate related goals. One example of how the scenario analysis impacted our strategy is the role it played in our decision to join the Climate Leadership Council (see question C2.3a). The scenario analysis highlighted that the low emissions scenario was preferred and one of the keys to achieving the low emissions scenario was an effective policy framework that helped delivered needed reductions in GHG emissions. This insight reinforced our decision to join the CLC which is seeking to develop an effective carbon pricing approach for the U.S which in turn would increase the probability of achieving the level of GHG emission reductions needed to limit temperature increase (i.e. would help achieve the low emissions scenario). The company specific summary from this exercise was that the most relevant risks for our company are: 1 Governments implementing policies/fees/taxes on carbon intensive energy or materials, which could result in higher costs for the company and consumers. 2 Increased severity/frequency of extreme weather events. Loss or impairment of key manufacturing sites, inability to procure sufficient raw materials, disruption to transportation of raw materials or finished goods, etc. as result of an extreme weather event could disrupt our operations if the response to such an event is not effectively managed & remedied. 3 Chronic changes to precipitation/increasing water stress are relevant risks for our operations, supply chain, and consumer use of our products (e.g. sufficient water for laundry, dishwashing, showers, etc.). Case study related to scenario planning insight that impacted business objectives and strategy related to Government Policy: Situation: Scenario planning indicated low emissions pathway preferred and that sound policy will be needed to help drive needed reductions. Task: Assess what role P&G could play to help advocate for sound policy in key markets. Actions/Results: P&G made the decision to join the Climate Leadership Council which is seeking to develop an effective carbon pricing approach as the basis for a bipartisan policy effort in the US. P&G further joined Americans for Carbon Dividends which advocates for advancing this policy approach in the US.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Regarding Risk 2 in C2.3a, the most substantial strategic decision made in this area to date was to develop laundry detergents that deliver outstanding performance in low energy cycles. These efforts can save consumers time and money while resulting in significant reductions in GHG emissions. In addition to R&D formula innovations, we have also had sustained consumer education efforts to encourage consumers to use low energy cycles (e.g. Ariel Turn to 30 campaign and Tide Quick & Cold Challenge). Since 2010, we have seen the percentage of loads in low energy cycles increase from 38% to 70% and estimate the avoided emissions from this change are over 20 million metric tons of CO2 eq. Tide and Ariel have made the strategic decision to continue their efforts to advance cold water washing. Tide has a goal to get 3 of 4 loads done in cold instead of hot by 2030. Ariel has a goal to reduce average wash temperature in Europe by 5 degrees by 2025.
Supply chain and/or value chain	Yes	Regarding Risk 1 in C2.3a, we have been working with energy supplier to increase the amount or renewable electricity we purchase. As a result of these efforts, we now purchase 100% renewable electricity in the United States, Canada, and Western Europe and have exceeded our 2020 GHG reduction goal of 30% by delivering an absolute reduction of over 52% as of June 30, 2020. (Note this disclosure covers 7/1/19 - 6/30/20) Case study to illustrate influence to date: Situation: Future policy actions that place a price on carbon emissions could result in increased costs. Task: Manage this risk by reducing our GHG emissions. Actions & Results: 1. Reducing scope 1 and 2 GHG emissions. We have a goal to reduce GHG by 50% on an absolute basis by 2030 (vs. 2010 baseline). This is a Science Based Target that supports the objective of limiting global temperature to well below 2* C. As of June 30, 2020 we have reduced our Scope 1 and 2 GHG emissions by 52%. 2. Increasing our use of renewable energy. We currently purchase 100% renewable electricity the U.S., Canada, and Western Europe. We have a goal to purchase100% renewable electricity globally by 2030. As of June 30, 2020 we purchased ~ 70% renewable electricity globally. 3. Reducing overall energy consumption. We have reduced energy consumption by 19% per unit of production as of June 30, 2020. In addition to reducing emissions, we are members of the Climate Leadership Council, which is exploring how the US could pursue a carbon dividend program as a national policy to drive reductions in GHG emissions. We believe this type of policy approach would provide industry the greatest transparency, predictability, and certainty and would serve to mitigate transition risks should the US advance national policy on GHG emissions pricing.
Investment in R&D	Yes	Regarding Risk 2 in C2.3a, our Fabric Care business has invested in R&D to develop detergents that deliver outstanding performance in low energy cycles. This includes efforts to integrate new enzymes that perform well in cold water. Developing laundry detergents that deliver outstanding performance in low energy cycles allows consumers to save time and money while resulting in significant reductions in GHG emissions. In addition to R&D formula innovations, we have also had sustained consumer education efforts to encourage consumers to use low energy cycles (e.g. Ariel Turn to 30 campaign and Tide Quick & Cold Challenge). Since 2010, we have seen the percentage of loads in low energy cycles increase from 38% to 70% and estimate the avoided emissions from this change are over 20 million metric tons of CO2 eq. Tide and Ariel have made the strategic decision to continue their efforts to advance cold water washing. Tide has a goal to get 3 of 4 loads done in cold vs. hot. Ariel has a goal to reduce average wash temperature in Europe by 5 degrees by 2025. Ongoing R&D efforts will help enable progress vs. these goals. The strategy to advance cold water washing was informed by the need to address climate change. Our packaging development organizations have developed new technologies to purify post consumer polypropylene and return it to near virgin like condition. This eliminates a major barrier to increasing use of recycled polypropylene (poor quality of available recycled polypropylene) and this technology has now been licensed to a third party who is developing commercial scale facilities. Increased use of recycled materials reduces dependence on virgin petroleum derived materials and helps reduce overall supply chain emissions.
Operations	Yes	Regarding Risk 3 in C2.3a, in addition to the risk mitigation steps outlined in C2.3a, we made the strategic decision to accelerate progress against our GHG emission reduction goals for our operations: Purchase 100% renewable electricity by 2030 Reduce Scope 1&2 GHG emissions by 50% by 2030 (an approved SBT) Advance a portfolio of natural climate solutions that will deliver a carbon benefit that balances any remaining manufacturing emissions over the course of the next decade - effectively making our operations carbon neutral for the decade. By making the strategic decision to accelerate our efforts and committing to go beyond our Science Based Target and make our operations carbon neutral for this decade, we are doing our part to accelerate emission reductions achieved during this decade which in turn is directionally consistent with seeking to take steps that will help mitigate potential climate risk impacts.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Indirect costs	We have a public goal to advance a portfolio of natural climate solutions that will deliver a carbon benefit equal to our expected Scope 1 & 2 GHG emissions over the next 10 years - effectively making our manufacturing operations carbon neutral for the decade. Based on current estimates we will need to deliver a carbon benefit of 30 million metric tons of CO2 eq by 2030 . As part of the process to set this goal and develop our implementation plans we evaluated the costs of advancing projects that would allow us to hit this goal. Funding was allocated to support project development and we are planning to make additional investments over the course of the next decade that will allow us to advance sufficient projects to deliver our goal.

C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set
2012

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 1+2 (market-based)

Base year
2010

Covered emissions in base year (metric tons CO2e)
5421120

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2020

Targeted reduction from base year (%)
30

Covered emissions in target year (metric tons CO2e) [auto-calculated]
3794784

Covered emissions in reporting year (metric tons CO2e)
2619855

% of target achieved [auto-calculated]
172.243927454105

Target status in reporting year
Achieved

Is this a science-based target?
Yes, and this target has been approved by the Science-Based Targets initiative

Target ambition
Well-below 2°C aligned

Please explain (including target coverage)
The data reflects what was reported in 2020 Sustainability report which reflects fiscal year ended June 30, 2020. P&G now purchases 100% renewable electricity in the U.S., Canada and Europe. These three markets represent more than 70% of our purchased electricity globally. This enabled us to exceed our goal.

Target reference number
Abs 2

Year target was set
2018

Target coverage
Company-wide

Scope(s) (or Scope 3 category)
Scope 1+2 (market-based)

Base year
2010

Covered emissions in base year (metric tons CO2e)
5421120

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)
100

Target year
2030

Targeted reduction from base year (%)
50

Covered emissions in target year (metric tons CO2e) [auto-calculated]
2710560

Covered emissions in reporting year (metric tons CO2e)
2619855

% of target achieved [auto-calculated]
103.346356472463

Target status in reporting year
Achieved

Is this a science-based target?
Yes, and this target has been approved by the Science-Based Targets initiative

Target ambition
Well-below 2°C aligned

Please explain (including target coverage)
The data reflects what was reported in 2020 Sustainability report which reflects fiscal year ended June 30, 2020. P&G now purchases 100% renewable electricity in the U.S., Canada and Europe. These three markets represent more than 70% of our purchased electricity globally. This enabled us to exceed our goal earlier than anticipated.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
Target(s) to increase low-carbon energy consumption or production
Net-zero target(s)
Other climate-related target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number
Low 1

Year target was set
2012

Target coverage
Company-wide

Target type: absolute or intensity
Absolute

Target type: energy carrier
All energy carriers

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)
Percentage

Target denominator (intensity targets only)
<Not Applicable>

Base year
2010

Figure or percentage in base year
7.7

Target year
2020

Figure or percentage in target year
30

Figure or percentage in reporting year
30.7

% of target achieved [auto-calculated]
103.139013452915

Target status in reporting year
Achieved

Is this target part of an emissions target?
This target was key to achieving the company's science base emissions target.

Is this target part of an overarching initiative?
Science-based targets initiative

Please explain (including target coverage)
The company achieved the goal to utilize 30% renewable energy. This was inclusive all all energy consumed by P&G. Achieving this miletstone and was key to delivering both Science Base Targets (30% by 2020 and 50% by 2030).

Target reference number
Low 2

Year target was set
2018

Target coverage
Company-wide

Target type: absolute or intensity

Absolute

Target type: energy carrier
Electricity

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)
Percentage

Target denominator (intensity targets only)
<Not Applicable>

Base year
2010

Figure or percentage in base year
0

Target year
2030

Figure or percentage in target year
100

Figure or percentage in reporting year
87.1

% of target achieved [auto-calculated]
87.1

Target status in reporting year
Underway

Is this target part of an emissions target?
This target is key to achieving P&G's Science Based GHG goal.

Is this target part of an overarching initiative?
RE100

Please explain (including target coverage)
This target includes all purchased electricity. It is key to delivering P&G's Science Based GHG reduction target. The company is ahead of glidepath towards delivering this target.

C4.2b

(C4.2b) Provide details of any other climate-related targets, including methane reduction targets.

Target reference number
Oth 1

Year target was set
2012

Target coverage
Company-wide

Target type: absolute or intensity
Intensity

Target type: category & Metric (target numerator if reporting an intensity target)

Energy consumption or efficiency	MWh

Target denominator (intensity targets only)
unit of production

Base year
2010

Figure or percentage in base year
7.1

Target year
2020

Figure or percentage in target year
5.68

Figure or percentage in reporting year
5.73

% of target achieved [auto-calculated]
96.4788732394366

Target status in reporting year
Underway

Is this target part of an emissions target?
This target is key to achieving P&G's Science Based GHG goal.

Is this target part of an overarching initiative?
Science Based Targets initiative

Please explain (including target coverage)
The U.S. market had a large reallocation of production from 3 sites in the U.S. to a single site in West Virginia. There was a temporary efficiency loss while the new site starts up prior to older sites being closed. We anticipate being back on track with this target in 2021.

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number
NZ1

Target coverage
Company-wide

Absolute/intensity emission target(s) linked to this net-zero target
Abs1

Target year for achieving net zero
2030

Is this a science-based target?
No, but we are reporting another target that is science-based

Please explain (including target coverage)
In July 2020, P&G announced a new commitment to have its global operations be carbon neutral for the decade through a series of interventions that protect, improve and restore nature. Recognizing the next decade represents a critical window for the world to accelerate progress on climate change, P&G will go beyond its existing science-based target of reducing absolute GHG emissions 50% by 2030, to also advancing a portfolio of natural climate solutions. These efforts will deliver a carbon benefit that balances any remaining emissions over the next 10 years, allowing P&G operations to be carbon neutral for the decade.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.
Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	40	40000
To be implemented*	10	10000
Implementation commenced*	10	10000
Implemented*	10	1456605
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy consumption	Low-carbon electricity mix

Estimated annual CO2e savings (metric tonnes CO2e)
1261955

Scope(s)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
0

Payback period
No payback

Estimated lifetime of the initiative
6-10 years

Comment
P&G is now purchasing 100% renewable electricity for all our operations in the U.S., Canada and Europe, which make up our largest markets. These renewable electricity contracts have accelerated our progress toward our goal to utilize 100% renewable electricity by 2030.

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)
194650

Scope(s)
Scope 1
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
6000000

Investment required (unit currency – as specified in C0.4)
2000000

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment
This line item covers many projects across over 100 manufacturing facilities including lighting, VFDs, data analytics, HVAC upgrades and utilities upgrades. Most projects achieve a 3 year simple payback.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Internal finance mechanisms	Leadership has demonstrated commitment to funding all savings projects that improve how energy is consumed at a facility.
Internal incentives/recognition programs	The company utilizes "Power of You" awards to provide financial rewards and internal recognition to employees that take action to reduce the amount of energy that is consumed by the company.
Dedicated budget for energy efficiency	There is a corporate budget dedicated to technical innovation in energy productivity.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?
Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation
Group of products

Description of product/Group of products
Laundry detergent products that enable the consumer to achieve brilliant results at low temperatures and/or laundry detergent products that are specifically designed to work with the new generation of sustainable high-efficiency (HE) washing machines with low-energy cycles.

Are these low-carbon product(s) or do they enable avoided emissions?
Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions
Other, please specify (In house methodology that relies upon consumer habits and practices data, Lifecycle inventory data, shipment volumes, and product performance measurements)

% revenue from low carbon product(s) in the reporting year
0

% of total portfolio value
<Not Applicable>

Asset classes/ product types
<Not Applicable>

Comment
For many years, we have been advancing cold water washing as a key strategy to reduce energy use during machine laundering. We also know that High Efficiency (HE) low-energy cycles significantly contribute to our overall objective of reducing energy consumption during machine wash and as such, since 2014, we have tracked not only cold cycles (i.e. dial set to cold setting) but also HE low-energy cycles. To better reflect the full scope of positive steps we are taking to reduce energy use during machine washing, we are updating the language of our existing cold water washing goal to reflect a 2020 target of “70% of machine washing loads are low-energy cycles.” Per our existing tracking, low-energy cycles will include cold cycles as well as HE low-energy cycles. For FY 15/16, globally we estimate a 5-point increase in the number of low energy cycles from 56% to 61% over this time period. P&G uses lifecycle assessment to better understand the footprint of our products across all phases of their lifecycle (raw materials, manufacturing, transportation, consumer use, and end of life). We found that since 2010, we have seen a 43% decrease in GHG emissions from laundry across North America and Europe, even though our sales increased during that same time period. This represents a reduction of about 20 million tons of CO2 emissions per year. The total GHG emissions from all P&G manufacturing facilities around the world was about 4.9 million tons, so this is equivalent to eliminating all GHG emissions from our global manufacturing — four times over! There were a number of factors that contributed to this reduction, including increases in cold water washing, increased use of HE machines, as well as development of “cleaner” electricity grids in North America and Europe that emit less CO2. Our efforts are helping change consumer behavior and reducing GHG emissions. Data on %revenue from low carbon products is not available so "0" was entered as a placeholder value to indicate no data available. However, laundry detergents are a large contributor to overall Fabric & Home Care Sales, which in turn represent 33% of net sales for the company.

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start
July 1 2009

Base year end
June 30 2010

Base year emissions (metric tons CO2e)
2211365

Comment

Scope 2 (location-based)

Base year start
July 1 2009

Base year end
June 30 2010

Base year emissions (metric tons CO2e)
3089407

Comment

Scope 2 (market-based)

Base year start
July 1 2009

Base year end
June 30 2010

Base year emissions (metric tons CO2e)
3209755

Comment

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.
The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)
2217501

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based
We are reporting a Scope 2, location-based figure

Scope 2, market-based
We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
2566669

Scope 2, market-based (if applicable)
402354

Start date
<Not Applicable>

End date
<Not Applicable>

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?
Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source
Emissions from non-manufacturing distribution centers that are within P&G's operational control and have a total square footage less than 1,000,000 square feet

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
Emissions are not relevant

Relevance of market-based Scope 2 emissions from this source (if applicable)
Emissions are not relevant

Explain why this source is excluded
The company estimated emissions from these sources and found that they were 0.5% of total emissions, below 1% de minimis threshold.

Source
Fugitive emissions from refrigeration and heating, ventilation and air conditioning (HVAC) systems

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)
No emissions from this source

Explain why this source is excluded
The company estimated emissions from these sources and found that they were 0.1% of total emissions, below 1% de minimis threshold.

Source
Emissions from fire suppression equipment

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)
No emissions from this source

Explain why this source is excluded
The company estimated emissions from these sources and found that they were 0.2% of total emissions, below 1% de minimis threshold.

Source
Emissions from company owned or leased vehicles provided to employees for personal transportation.

Relevance of Scope 1 emissions from this source
Emissions are not relevant

Relevance of location-based Scope 2 emissions from this source
No emissions from this source

Relevance of market-based Scope 2 emissions from this source (if applicable)
No emissions from this source

Explain why this source is excluded
The company estimated emissions from these sources and found that they were 0.8% of total emissions, below 1% de minimis threshold.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Metric tonnes CO2e
17637000

Emissions calculation methodology
LCA - Calculated as part of our energy/GHG footprinting study. Calculated as part of our energy/GHG footprinting study updated in calendar year 2019.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain

Capital goods

Evaluation status
Relevant, calculated

Metric tonnes CO2e
246508

Emissions calculation methodology
Fiscal year 16/17 estimate using environmentally extended input-output (EEIO) models. The factors were sourced from US environmentally extended input-output (EEIO) data as incorporated in the SimaPro databases and were adjusted for inflation.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Relevant, calculated

Metric tonnes CO2e
495398

Emissions calculation methodology
Environmentally extended input-output (EEIO) models.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

Please explain

Upstream transportation and distribution

Evaluation status
Relevant, calculated

Metric tonnes CO2e
0

Emissions calculation methodology
LCA - Calculated as part of our energy/GHG footprinting study. With the LCA, both upstream and downstream transportation emissions were tracked together so these have been reported under the below section on "downstream transportation and distribution"

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain

Waste generated in operations

Evaluation status
Relevant, calculated

Metric tonnes CO2e
9035

Emissions calculation methodology
Environmentally extended input-output (EEIO) models, limited to material sent to landfill.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain

Business travel

Evaluation status
Relevant, calculated

Metric tonnes CO2e
124872

Emissions calculation methodology
The business travel estimate includes commercial airline travel by employees that was managed by our primary outside travel agencies. Travel arranged by other agencies was not covered in the calculation.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain

Employee commuting

Evaluation status
Relevant, calculated

Metric tonnes CO2e
117000

Emissions calculation methodology
Fiscal year 16/17 estimate using Environmentally extended input-output (EEIO) models. The average distances traveled and the average hours worked per year across OECD countries were taken from the OECD (OECD.stat or stats.oecd.org). The average transport split train/car/bus/subway/motorbike/truck/taxi was determined using the sources provided (US Census Bureau, Eurostat, Statistics Canada, Japan-guide.com, Singapore Land Transport Authority, UK Government Statistics National travel Survey, Statistics South Africa) Transport emission factors are taken from DEFRA (UK Government GHG Conversion Factors for Company Reporting, UK Department for Environment, Food & Rural Affairs, 2016)

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain

Upstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
The company has minimal upstream leased assets

Downstream transportation and distribution

Evaluation status
Relevant, calculated

Metric tonnes CO2e
5637000

Emissions calculation methodology
LCA - Calculated as part of our energy/GHG footprinting study in 2019. Note -- this includes both upstream and downstream transportation and distribution emissions

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain

Processing of sold products

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
The company sells consumer goods. All scope 3 of sold products is in use and end of life.

Use of sold products

Evaluation status
Relevant, calculated

Metric tonnes CO2e
208932000

Emissions calculation methodology
LCA - Calculated as part of our energy/GHG footprinting study in 2019.

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain

End of life treatment of sold products

Evaluation status
Relevant, calculated

Metric tonnes CO2e
14041000

Emissions calculation methodology
LCA - Calculated as part of our energy/GHG footprinting study in 2019

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Company has minimal downstream leased assets

Franchises

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Company has minimal franchising

Investments

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
The company does not make investments outside core business.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
There are no other upstream sources.

Other (downstream)

Evaluation status
Not relevant, explanation provided

Metric tonnes CO2e
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
There are no other downstream sources.

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	50349	These emissions are from using waste paper fines for energy.

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
36.93

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
2619855

Metric denominator
unit total revenue

Metric denominator: Unit total
70950

Scope 2 figure used
Market-based

% change from previous year
38

Direction of change
Decreased

Reason for change
P&G increase renewable energy from 13% in previous year to 31% in current year. Renewable electricity increased from 29% to 87%. Transitioning to these lower carbon sources of energy resulted in significant decrease in emissions while increasing revenue.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	2214500	Other, please specify (US EPA MRR Final Rule (40 CFR 98) - Industrial Sector 2013)
CH4	1247	Other, please specify (US EPA MRR Final Rule (40 CFR 98) - Industrial Sector 2013)
N2O	1589	Other, please specify (US EPA MRR Final Rule (40 CFR 98) - Industrial Sector 2013)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Belgium	5463
Brazil	3103
Canada	22112
Chile	31
China	14014
Colombia	7485
Czechia	13829
Egypt	9206
France	17460
Germany	31884
Hungary	8009
India	7172
Indonesia	1886
Ireland	578
Italy	10687
Japan	11375
Malaysia	45093
Mexico	37575
Morocco	5615
Nigeria	2784
Pakistan	8433
Peru	240
Philippines	2764
Poland	1820
Romania	1425
Russian Federation	31885
Saudi Arabia	17992
Singapore	172
Spain	84
Thailand	6436
Turkey	12739
Ukraine	5315
United Kingdom of Great Britain and Northern Ireland	17586
United States of America	1850467
Viet Nam	1672
Argentina	873
Switzerland	216
Austria	2021

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By business division

C7.3a

(C7.3a) Break down your total gross global Scope 1 emissions by business division.

Business division	Scope 1 emissions (metric ton CO2e)
Baby & Feminine Care	33490
Beauty	88340
Chemicals	65622
Fabric Care & Home Care	252569
Family Care	1598366
Grooming	63860
Health Care	51319
Offices and Innovation Centers	58688
Physical Distribution	5247

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
Argentina	8891	8891	25260.5	0
Belgium	6295	0	36650.58	36650.58
Brazil	16875	16875	144365.81	0
Canada	20657	0	144901.32	144901.45
Chile	2491	2491	5702.76	0
China	119189	12142	231891.25	182996.29
Colombia	1343	0	9973.32	9973.32
Czechia	13364	0	26633.38	26633.38
Egypt	28279	28279	63908.75	0
France	5783	0	83359.06	83359
Germany	107278	2149	260607.77	251122.17
Hungary	21346	0	79857.32	79857.32
India	111768	2538	162381.78	151176.45
Indonesia	12010	12010	15566.73	0
Ireland	10923	0	28759.09	28759.09
Italy	8475	0	25922.93	25922.79
Japan	53404	45708	103638.87	11170.27
Malaysia	22042	22042	33781.94	0
Mexico	96555	904	201728.05	199839.7
Morocco	3759	3759	5454.04	0
Nigeria	528	528	1264.1	0
Pakistan	6500	6500	15594.45	0
Peru	440	440	1978.89	0
Philippines	31546	15760	46956.9	23497.22
Poland	96888	2631	143889.06	132275.64
Romania	2804	0	8157.11	8157.22
Russian Federation	39453	677	113352.59	110364.52
Saudi Arabia	84667	84667	119190.11	0
Singapore	14422	14704	35031.99	0
South Africa	11402	11402	12618.2	0
Thailand	12996	12996	27237.26	0
Turkey	16453	0	35553.92	35553.92
Ukraine	7993	193	22348.76	21498.73
United Kingdom of Great Britain and Northern Ireland	29532	0	119587.91	119587.91
United States of America	1520616	84515	3223826.94	2852657.71
Viet Nam	9554	9554	26423.88	0
Spain	8670	0	29936.83	29936.83
Switzerland	111	0	3841.45	3841.45
Austria	1367	0	8460.05	8460.05

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By business division

C7.6a

(C7.6a) Break down your total gross global Scope 2 emissions by business division.

Business division	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Baby Care & Feminine Care	340055	105805
Beauty	281017	77424
Chemicals	120454	93045
Fabric Care & Home Care	437081	78281
Family Care	937516	427
Grooming	151697	14231
Health Care	130399	3873
Offices and Innovation Centers	137757	29268
Physical Distribution	30692	0

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	1261955	Decreased	26	P&G significantly increased its purchases of renewable electricity this reporting year versus previous reporting years. This resulted in a significant decrease in emissions. We calculated the decrease by dividing last year emissions from electricity by last year purchased electricity and multiplying this years electricity to get business as usual emissions. Subtracting actual emissions from electricity from business as usual results in reduction due to changes in renewable energy consumption. The reduction in emissions divided by total S1/Loc S2 emissions provides the percentage change. 1737718/4754968*4244971= 1551338 1551338-289383=1261955 261955/4784244 = 26
Other emissions reduction activities	194650	Decreased	7	P&G saw an improvement in energy efficiency which resulted in a decrease in emissions All changes in emissions not due to renewable energy or changes in volume where due to change in efficiency. This was calculated as last years S1/S2M minus decrease due to renewable plus increase due to change in output minus actual S1/S2M. Change in emissions divided by S1/S2M equals percentage. 4050359-1261955+ 26101 - 2619855=194650 194650/2619855=7
Divestment	0	No change	0	No change
Acquisitions	0	No change	0	No change
Mergers	0	No change	0	No change
Change in output	26101	Increased	1	P&G increase volume this year by 153 tons. Tis resulted in a slight increase in emissions. This year emissions divided by this year production times last year production equals business as usual . Business as usual minus actual emissions equals increase in emissions. Increase /divided by total s1/Market S2 equals percentage. 2619855/15357*15204=2593754 2593754-2619855=26101 26095/2619178=1
Change in methodology	0	No change	0	
Change in boundary	0	No change	0	
Change in physical operating conditions	0	No change	0	
Unidentified	0	No change	0	
Other	0	No change	0	

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	Yes
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	157313	12094096	12251408
Consumption of purchased or acquired electricity	<Not Applicable>	4244971	627639	4872610
Consumption of purchased or acquired heat	<Not Applicable>	11324	2988.07	14312
Consumption of purchased or acquired steam	<Not Applicable>	321898	454385.82	776284
Consumption of purchased or acquired cooling	<Not Applicable>	0	22390	22390
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	4735506	13201498	17937004

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)
Other, please specify (Papermaking Fines)

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
157313

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
157313

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
1.1556

Unit
kg CO2e per million Btu

Emissions factor source

WRI/WBCSD Greenhouse Gas Protocol, FAQ, Biomass;

Comment

Fuels (excluding feedstocks)
Diesel

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
14

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
74.203

Unit
kg CO2e per million Btu

Emissions factor source
Mandatory Reporting of GHG; Final Rule (40 CFR 98) - Industrial Sector Applicable as of 11/29/2013.

Comment

Fuels (excluding feedstocks)
Motor Gasoline

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
4738

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
8.78

Unit
kg CO2e per gallon

Emissions factor source
The Climate Registry - General Reporting Protocol USA Transport Sector 2019 https://www.theclimateregistry.org/wp-content/uploads/2019/05/The-Climate-Registry-2019-Default-Emission-Factor-Document.pdf

Comment
Mobile Fuel

Fuels (excluding feedstocks)
Hydrogen

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
5323

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
0

Unit
metric tons CO2e per million Btu

Emissions factor source
None required

Comment

Fuels (excluding feedstocks)
Jet Kerosene

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
16510

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
9.8295

Unit
kg CO2e per gallon

Emissions factor source
The Climate Registry - General Reporting Protocol USA Transport Sector 2019 https://www.theclimateregistry.org/wp-content/uploads/2019/05/The-Climate-Registry-2019-Default-Emission-Factor-Document.pdf

Comment

Fuels (excluding feedstocks)
Kerosene

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
2

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
2

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
75.443

Unit
kg CO2e per million Btu

Emissions factor source
Mandatory Reporting of GHG; Final Rule (40 CFR 98) - Industrial Sector Applicable as of 11/29/2013.

Comment

Fuels (excluding feedstocks)
Liquefied Petroleum Gas (LPG)

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
21001

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
61.953

Unit
kg CO2e per million Btu

Emissions factor source
Mandatory Reporting of GHG; Final Rule (40 CFR 98) - Industrial Sector Applicable as of 11/29/2013.

Comment
Used for lift trucks

Fuels (excluding feedstocks)
Natural Gas

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
11903995

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
0

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
53.1145

Unit
kg CO2e per million Btu

Emissions factor source
Mandatory Reporting of GHG; Final Rule (40 CFR 98) - Industrial Sector Applicable as of 11/29/2013.

Comment

Fuels (excluding feedstocks)
Fuel Oil Number 2

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
83643

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
83643

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
74.203

Unit
kg CO2e per million Btu

Emissions factor source
Mandatory Reporting of GHG; Final Rule (40 CFR 98) - Industrial Sector Applicable as of 11/29/2013.

Comment

Fuels (excluding feedstocks)
Fuel Oil Number 4

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
511

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
511

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
75.283

Unit
kg CO2e per million Btu

Emissions factor source
Mandatory Reporting of GHG; Final Rule (40 CFR 98) - Industrial Sector Applicable as of 11/29/2013.

Comment

Fuels (excluding feedstocks)
Fuel Oil Number 6

Heating value
LHV (lower heating value)

Total fuel MWh consumed by the organization
58358

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
58358

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration
0

Emission factor
75.343

Unit
kg CO2e per million Btu

Emissions factor source
Mandatory Reporting of GHG; Final Rule (40 CFR 98) - Industrial Sector Applicable as of 11/29/2013.

Comment

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	1699892.32	1216831.89	0	0
Heat	7829307	7829307	0	7829307
Steam	2893112	2893112	0	2893112
Cooling	571070	571070	73668	497402

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Austria

MWh consumed accounted for at a zero emission factor
4230

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Belgium

MWh consumed accounted for at a zero emission factor
25292

Comment

Sourcing method
Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Canada

MWh consumed accounted for at a zero emission factor
26451.43

Comment

Sourcing method
Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Canada

MWh consumed accounted for at a zero emission factor
118450.13

Comment

Sourcing method
Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

Low-carbon technology type
Solar

Country/area of consumption of low-carbon electricity, heat, steam or cooling
China

MWh consumed accounted for at a zero emission factor
455.33

Comment

Sourcing method
Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
China

MWh consumed accounted for at a zero emission factor
18482.7

Comment

Sourcing method
Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
China

MWh consumed accounted for at a zero emission factor
152598.59

Comment

Sourcing method
Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

Low-carbon technology type
Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Colombia

MWh consumed accounted for at a zero emission factor
9973.32

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Czechia

MWh consumed accounted for at a zero emission factor
13317

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
France

MWh consumed accounted for at a zero emission factor
83359

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Germany

MWh consumed accounted for at a zero emission factor
125561

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type

Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Hungary

MWh consumed accounted for at a zero emission factor
39929

Comment

Sourcing method
Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
India

MWh consumed accounted for at a zero emission factor
151176.45

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Ireland

MWh consumed accounted for at a zero emission factor
14380

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Italy

MWh consumed accounted for at a zero emission factor
10294

Comment

Sourcing method
Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type
Biomass

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Japan

MWh consumed accounted for at a zero emission factor
11170.27

Comment

Sourcing method
Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Mexico

MWh consumed accounted for at a zero emission factor
199839.7

Comment

Sourcing method
Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type
Biomass

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Philippines

MWh consumed accounted for at a zero emission factor
23497.22

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Poland

MWh consumed accounted for at a zero emission factor
132275.64

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Romania

MWh consumed accounted for at a zero emission factor
4079

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Russian Federation

MWh consumed accounted for at a zero emission factor
55182.26

Comment

Sourcing method
Unbundled energy attribute certificates, International REC Standard (I-RECs)

Low-carbon technology type
Solar

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Singapore

MWh consumed accounted for at a zero emission factor
193.33

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Spain

MWh consumed accounted for at a zero emission factor
14968

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Switzerland

MWh consumed accounted for at a zero emission factor
3841.45

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Turkey

MWh consumed accounted for at a zero emission factor
35553.92

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Ukraine

MWh consumed accounted for at a zero emission factor
21498.73

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
United Kingdom of Great Britain and Northern Ireland

MWh consumed accounted for at a zero emission factor
118653.1

Comment

Sourcing method
Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

Low-carbon technology type
Biomass

Country/area of consumption of low-carbon electricity, heat, steam or cooling
United States of America

MWh consumed accounted for at a zero emission factor
379635.12

Comment

Sourcing method
Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

Low-carbon technology type
Solar

Country/area of consumption of low-carbon electricity, heat, steam or cooling
United States of America

MWh consumed accounted for at a zero emission factor
1836.48

Comment

Sourcing method
Power purchase agreement (PPA) with a grid-connected generator with energy attribute certificates

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
United States of America

MWh consumed accounted for at a zero emission factor
302190.71

Comment

Sourcing method
Unbundled energy attribute certificates, Renewable Energy Certificates (RECs)

Low-carbon technology type
Wind

Country/area of consumption of low-carbon electricity, heat, steam or cooling
United States of America

MWh consumed accounted for at a zero emission factor
1846837.39

Comment

Sourcing method
Heat/steam/cooling supply agreement

Low-carbon technology type
Geothermal

Country/area of consumption of low-carbon electricity, heat, steam or cooling
China

MWh consumed accounted for at a zero emission factor
11324

Comment

Sourcing method
Heat/steam/cooling supply agreement

Low-carbon technology type
Biomass

Country/area of consumption of low-carbon electricity, heat, steam or cooling
United States of America

MWh consumed accounted for at a zero emission factor
321898

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Austria

MWh consumed accounted for at a zero emission factor
4230

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Belgium

MWh consumed accounted for at a zero emission factor
11358

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Czechia

MWh consumed accounted for at a zero emission factor
13317

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling

Germany

MWh consumed accounted for at a zero emission factor
125561

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Hungary

MWh consumed accounted for at a zero emission factor
39929

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Ireland

MWh consumed accounted for at a zero emission factor
14380

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Solar

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Italy

MWh consumed accounted for at a zero emission factor
15628

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Romania

MWh consumed accounted for at a zero emission factor
4079

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Solar

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Russian Federation

MWh consumed accounted for at a zero emission factor
55182.26

Comment

Sourcing method
Unbundled energy attribute certificates, Guarantees of Origin

Low-carbon technology type
Hydropower

Country/area of consumption of low-carbon electricity, heat, steam or cooling
Spain

MWh consumed accounted for at a zero emission factor
14968

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Please select

Metric value

Metric numerator

Metric denominator (intensity metric only)

% change from previous year

Direction of change
<Not Applicable>

Please explain

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Assurance Statement_P&G FY19-20 GHG Inventory.pdf

Page/ section reference
Page 2 Table 1.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Assurance Statement_P&G FY19-20 GHG Inventory.pdf

Page/ section reference
Page 2 Table 1.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Assurance Statement_P&G FY19-20 GHG Inventory.pdf

Page/ section reference
Page 2 Table 1.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category
Scope 3: Business travel

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
Assurance Statement_P&G FY19-20 GHG Inventory.pdf

Page/section reference
Page 2 Table 1.

Relevant standard
ISO14064-3

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.
California CaT - ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

California CaT

% of Scope 1 emissions covered by the ETS
100

% of Scope 2 emissions covered by the ETS
0

Period start date
January 1 2020

Period end date
December 31 2020

Allowances allocated
149343

Allowances purchased
184996

Verified Scope 1 emissions in metric tons CO2e
334339

Verified Scope 2 emissions in metric tons CO2e
0

Details of ownership
Facilities we own and operate

Comment
This represents California C&T requirements for the P&G Oxnard and Sacramento sites for calendar year 2020. Emissions data is estimated as verification does not happen until after CDP reporting window.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Our strategy is to match our compliance obligations with our usage as closely as possible and to purchase enough allowances to fully meet our obligations each calendar year. We do this by contracting with a 3rd party to participate in the quarterly cap-and-trade auctions to procure the credits needed for that period. This strategy exceeds the minimum requirements of the cap-and-trade program which only requires 30% compliance in the 1st and 2nd calander years of a given compliance period before requiring the 70% remaining balance for years 1-2 and 100% of year 3 by the end of the 3-year compliance period.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?
Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase
Credit purchase

Project type
Forests

Project identification
Alto Mayo, Peru

Verified to which standard
VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)
925000

Number of credits (metric tonnes CO2e): Risk adjusted volume
925000

Credits cancelled
Yes

Purpose, e.g. compliance
Voluntary Offsetting

Credit origination or credit purchase
Credit purchase

Project type
Forests

Project identification
Chyulu Hills, Kenya

Verified to which standard
VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)
400000

Number of credits (metric tonnes CO2e): Risk adjusted volume
400000

Credits cancelled
Yes

Purpose, e.g. compliance
Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?
Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price
Change internal behavior
Drive energy efficiency
Drive low-carbon investment

GHG Scope
Scope 1
Scope 2
Scope 3

Application
P&G uses a combination of factors to help account for the potential price of carbon when making utilities/facilities infrastructure and finished product transportation decisions.

Actual price(s) used (Currency /metric ton)
10

Variance of price(s) used
When assessing projects that are related to utilities/facilities infrastructure or finished product transportation, P&G uses a combination of above the line (actual price we are paying for regulatory carbon credits, voluntary carbon offsets, or carbon taxes) and below the line sensitivities (shadow price of carbon based off the regional regulatory market or local carbon taxes). Pricing can range from $10/ton to $100/ton depending on the region and time frame for the project.

Type of internal carbon price
Offsets

Impact & implication
Better understanding the potential long term price of carbon has enabled some of our energy intensive facilities projects to proactively share the risk/impact of design decision. One recent example where this played a role was the evaluation of a natural gas fired co-generation project in Russia. Both the short and long term cost of carbon was presented as sensitivities as part of the financial analysis and influenced the decision to cancel the project.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, our customers
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Engagement & incentivization (changing supplier behavior)

Details of engagement
Run an engagement campaign to educate suppliers about climate change
Climate change performance is featured in supplier awards scheme

% of suppliers by number
5

% total procurement spend (direct and indirect)
50

% of supplier-related Scope 3 emissions as reported in C6.5
50

Rationale for the coverage of your engagement
Based off LCA assessments, P&G recognizes that over 70% of our Supply Chain emissions are linked to our external business partners and suppliers. Our goal is to incentivize a positive environmental impact by include citizenship and sustainability as a tangible part of our sourcing strategy. To better under our supplier's social and environmental footprint, we send a detailed Supplier Citizenship and Sustainability scorecard to roughly 760 of our top suppliers who represent approximately 50% of our total spend. This reaches a broad cross section of all spend pools, and focuses our efforts where we can best partner to have a strategic impact.

Impact of engagement, including measures of success
Our citizenship scorecard tracks GHG emissions and energy consumption on a year to year basis and rewards those suppliers who can demonstrate a reduction in emissions. The % improvement results captured within the scorecard are provided directly back to the P&G Purchasing Spend Pool owners, including comparisons of how that supplier ranks against P&G's own environmental progress and also against their peers in the same category. The spend pool owner then incorporates this data along with other factors into their ongoing discussions with suppliers. Success is measured by the extent to which suppliers are able to reduce GHG emissions along with other metrics such as diversity, water, forestry, etc... Note: we track and report progress on individual suppliers year to year so that the sourcing buyer can help drive behavior change. Since we have been actively growing the absolute number of suppliers surveyed (50% this year vs. 27% last year) we have chosen to focus on individual supplier level % improvement since it is more actionable than an overall spend pool metric.

Comment
The suppliers that participated in the survey represent ~ 50% of our procurement spend. Many of the suppliers that respond to the survey include their entire GHG footprint, not just the emissions associated with P&G purchased materials. This still allows P&G to see if the supplier is making progress in reducing their footprint, but is naturally larger than the scope 3 estimates used in section 6.5. Since we know this represents ~50% of spend and includes a wide range of materials, we assumed it also represented ~50% of our scope 3 incoming supplier emissions.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement
Collaboration & innovation

Details of engagement
Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number
1

% of customer - related Scope 3 emissions as reported in C6.5
20

Portfolio coverage (total or outstanding)
<Not Applicable>

Please explain the rationale for selecting this group of customers and scope of engagement
Walmart, our single largest global customer, launched an effort called Project Gigaton to eliminate 1 billion tons of GHG emissions from their supply chain. We supported this effort by committing to contribute 50 Million Tons of reductions towards their Gigaton Goal. (Note: 50 million tons would represent approximately 20% of our approximately 250 million tons of scope 3 emissions. This was the basis for the 20% referenced above -- 50,000,000 / 250,000,000 = 20%) We felt it was important to support this effort because 1) we have a common objective and shared commitment to help address climate change 2) by supporting the project we may inspire or encourage others to do the same, which would help Walmart achieve a significant impact on emission reductions globally.

Impact of engagement, including measures of success
We committed to reduce 50 million metric tons and are reporting our total contribution each year (in tons of CO_2eq) to Walmart's Project Gigaton tracking system. For example, P&G has chosen to purchase 100% renewable electricity in the USA and Canada to help reduce our manufacturing emissions, in turn contributing toward this 50 million metric ton goal. Walmart recently recognized P&G as one of their "Giga Guru's" for our progress.

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

We are members of the Climate Leadership Council (CLC). CLC is an organization that advocates for a Carbon Dividends Program in the US as a the best policy mechanism to allow the US to delvier vs. its original Paris Accord commitments. We believe that if the US moves forward with a national carbon pricing policy effort, this type of an approach would provide the greatest transparency and certainty for business. P&G also works with our various trade associations to help educate and enroll them in taking proactive steps to limit climate change.

We are also members of WWF's Climate Savers Program, RE100, and the Renewable Energy Buyers Alliance.

One example/case study of working with others was the partnership we entered into with WWF where WWF, Tide PurClean, and celebrity spokesperson Kristen Bell launched the Sustainable Laundry Pledge which was an effort to convert as many households as possible to energy saving laundry habits. For every consumer who pledged to use sustainable laundry habits , P&G made a donation to WWF's global conservation efforts. The drive was successful and resulted in a donation of $250,000.

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?
Other

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

We are members of the Climate Leadership Council (CLC) and the related group Americans for Carbon Dividends (AFCD). CLC is an organization that advocates for a Carbon Dividends Program in the US as the best policy mechanism to allow the US to deliver vs. its original Paris Accord commitments. We believe that if the US moves forward with a national carbon pricing policy effort, this type of an approach would provide the greatest transparency and certainty for business. You can read more about the CLC, including a listing of all members, via this link: clcouncil.org. The AFCD is a national education and advocacy campaign that promotes a bipartisan climate solution - more information on this group can be found at www.afcd.org

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

All policy advocacy is coordinated through our Global Government Relations organization and their role is to ensure consistency and transparency in all policy related activities. (For example Government Relations Sustainability owner directly represents P&G in the external 'Climate Leadership Council' which is advocating for the adoption of a carbon dividend policy in the United States. Internally, government relations does this by being an active member of our cross functional P&G Corporate Climate Council which plays a key role in our Climate Governance Process; knowing the details of our climate policies and positions, and consistently representing them with all external stakeholders they interact with, including policy makers and trade associations. All policy advocacy work is done through our Global Government Relations organization and the process used by our Global Government Relations team ensures a common approach to climate change engagement activities across business divisions and geographies

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In voluntary sustainability report

Status
Complete

Attach the document
PG-2020-Annual-Report.pdf

Page/Section reference
Pages 110 - 114; 157.

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment
Your system limits file size and would not allow us to attach our sustainability report - to access our sustainability report please go to www.pg.com and reference pages 110 - 114 and page 157.

Publication
In mainstream reports

Status
Complete

Attach the document
PG-2020-Annual-Report.pdf

Page/Section reference
Please see 10-k discussion of risk factors.

Content elements
Risks & opportunities

Comment

Publication
In voluntary communications

Status
Complete

Attach the document
TCFD 2020 Report Final.pdf

Page/Section reference
All

Content elements
Governance
Strategy
Risks & opportunities
Other metrics

Comment
This is our TCFD report which we make publicly available.

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Sustainability Officer	Chief Sustainability Officer (CSO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	71000000000

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?
Yes

SC0.2a

(SC0.2a) Please use the table below to share your ISIN.

	ISIN country code (2 letters)	ISIN numeric identifier and single check digit (10 numbers overall)
Row 1	US	7427181091

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges
Diversity of product lines makes accurately accounting for each product/product line cost ineffective	We can make multiple products at each site, and each product has multiple SKUs, and individual site can ship to numerous locations, including central distribution hubs. Driving to this level of accounting would drive significant activity and cost without any incremental value as we manage emissions on a site basis and not customer basis. Customers should be able derive assessment of our climate change efforts based on our overall results.
Customer base is too large and diverse to accurately track emissions to the customer level	We can make multiple products at each site, and each product has multiple SKUs, and individual site can ship to numerous locations, including central distribution hubs. Driving to this level of accounting would drive significant activity and cost without any incremental value as we manage emissions on a site basis and not customer basis. Customers should be able derive assessment of our climate change efforts based on our overall results.

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?
No

SC1.4b

(SC1.4b) Explain why you do not plan to develop capabilities to allocate emissions to your customers.

We manage our emissions inventory to focus our straetigic interventions and drive down our GHG emissions. Given the size and complexity of our customer base and distribution network, creating the capability to allocate emissions to individual customers would be cost prohibitive and would not provide any real value as it would not serve to help to inform improvements at a site or enterprise level. We believe customers should be able to assess our overall efforts on GHG emissions /Climate based on our overall corporate results.

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?
No

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?
No, I am not providing data

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission	Are you ready to submit the additional Supply Chain questions?
I am submitting my response	Investors Customers	Public	Yes, I will submit the Supply Chain questions now

Please confirm below
I have read and accept the applicable Terms