The Procter & Gamble Company Board of Directors
Corporate Governance Guidelines

I. Board Purpose and Responsibilities. The Board represents and acts on behalf of all shareholders of the Company. The Board, acting either as a whole or through its committees, is responsible, among other things, for establishing, and helping the Company achieve business and organizational objectives through oversight, review and counsel. The Board, acting either as a whole or through its committees, also:

A. approves and monitors critical business and financial strategies of the Company;

B. reviews and assesses major risks facing the Company and options for their mitigation;

C. approves and monitors major corporate actions;

D. oversees processes designed to ensure the Company's and Company employees' compliance with applicable laws and regulations and the Company's Worldwide Business Conduct Manual, including maintaining a strong compliance culture and risk-based decision-making;

E. oversees processes designed to ensure the accuracy and completeness of the Company's financial statements;

F. monitors the effectiveness of the Company's internal controls;

G. selects, evaluates and sets appropriate compensation for the Company's Chief Executive Officer;

H. oversees succession planning for the Chief Executive Officer position;

I. reviews the recommendations of Company management for, and elects, the Company's principal officers; and

J. oversees the compensation of the Company's principal officers elected by the Board.

II. Board Size, Composition and Qualifications.

A. **Size**. As required by the Company's Regulations, the Board will be comprised of between ten (10) and fifteen (15) members.

B. **Composition**. If the Chairman of the Board is independent, the Board will be comprised of at least a majority of independent members (members who are free of any material relationship with the Company or Company management). If the Chairman of the Board is not independent, the Board will be comprised of at least 2/3 independent members. For purposes of these Guidelines, "independence" will be determined in accordance with separate guidelines established by the Board (see Appendix A to these Corporate Governance Guidelines). The separate guidelines will always be at least sufficient to meet the listing standards of the New York Stock Exchange ("NYSE") and applicable regulations.

C. **Qualifications for Non-Employee Board Members**. The Company seeks Board members who will represent the balanced best interests of the Company's shareholders as a whole, rather than special constituencies; who have demonstrated character and integrity; who have an inquiring mind; who have experience at a strategy/policy setting level or who have high-level managerial experience in a relatively complex organization, or who are accustomed to dealing with complex problems; who have an ability to work effectively with others; who have sufficient time to devote to the affairs of the Company; and who are free of conflicts of interest. In seeking such Board members, the Company also seeks to achieve a mix of Board members that represents a diversity of background and experience, including with respect to age, gender, international background, race, and specialized experience.

D. **Qualifications for Employee Board Members**. To be considered for Board membership, employees of the Company must have senior management responsibility for broad areas of the Company's operating or functional groups.

E. **Specific Qualification Rules of All Board Members**. To assist in meeting the qualifications listed above for Board members, the Board has adopted certain specific guidelines:

1. **Disqualifying Factors**. Unless otherwise determined by the Board, no person will be considered for Board membership who is:

   a) an employee or director of a company in significant competition with the Company;

   b) a recent employee of the Company; or

   c) an executive officer of a company where a P&G employee Director serves on the board.

   Should any current Board member become subject to one of the above disqualifying factors, s/he will immediately offer his/her resignation to the Board. Absent special circumstances agreed to by a majority of the Board (excluding the affected member(s)), the Board will accept the offer of resignation.

2. **Director Election**. In any non-contested election of directors, any non-incumbent director nominee who receives a greater number of votes cast "against" than votes "for" such nominee according to certified election results shall not be elected. Any incumbent director nominee who receives a greater number of votes cast "against" than votes "for" such nominee according to certified election results in a non-contested election shall continue to serve on the Board pursuant to Ohio law, but shall immediately tender his or her resignation as a Director to the Board of Directors. Within ninety (90) days following the certification of the election results, the Board of Directors will decide, after taking into account the recommendation of the Governance & Public Responsibility Committee (in each case excluding the nominee in question) whether to accept the resignation. Absent a compelling reason for the director to remain on the Board, the Board of

Directors shall accept the resignation. The Board's explanation of its decision shall be promptly disclosed on a Form 8-K submitted to the Securities and Exchange Commission. In any contested election of directors, any director nominee who receives the highest number of votes cast "for" such nominee according to certified election results shall be elected.

3. **Retirement Age**. Absent exceptional circumstances agreed to by a majority of the Board (excluding the affected member(s)), the Board of Directors will not nominate for re-election any Director who has reached the age of seventy-two (72) years on or prior to the date of election to which such nomination relates.

4. **Term Limits**. Absent special circumstances agreed to by a majority of the Board (excluding the affected member(s)), the Board of Directors will not nominate for re-election any Director who has completed 18 years of service on or prior to the date of election to which such nomination relates.

5. **Job Change**.

   a) If a non-employee member's principal position, status or employment should substantially change, the Director shall submit his or her resignation to the Chairman of the Board. The Governance & Public Responsibility Committee will recommend to the Board the action, if any, to be taken with respect to the resignation.

   b) The Company's Chief Executive Officer will resign from the Board when s/he retires from the Company, provided, however, upon the agreement of at least a majority of the Board, such Chief Executive Officer may continue to serve on the Board for a transition period to be determined by the Board.

6. **Conflicts of Interest**. In addition to abiding by the Company's Worldwide Business Conduct Manual, each Board member must recuse himself/herself from any discussion or decision affecting his/her personal, business or professional interests, other than with respect to Board compensation in Section VI.

7. **Renomination**. Renomination to the Board will be based on the needs of the Board at the time of determination. Board members should not have an expectation they will be automatically renominated when their term expires.

III. Board Meetings.

A. Regular Meeting Calendar.

1. **Dates and Times**. The Board will meet six (6) times per year, unless it determines that more or fewer meetings are required. Meetings will typically occur during the following months: February, April, June, August, October and December.

2. **Topics**. The Board agendas, which will be determined in accordance with Section IV. D below, will include regular in-depth reviews of the key issues affecting the Company overall, and various Company businesses and functions. Business unit and functional presentations will address key issues facing the business unit/function, and decisions and strategies relating to those issues. Appropriate time will be allotted for Board member questions and input. At least once per year, the non-employee members of the Board will meet to review the performance and succession plan for the Company's Chief Executive Officer and executive continuity plans for other principal officers (the meetings may be separate). Succession planning should include policies and principles for Chief Executive Officer selection and performance review, as well as policies regarding succession in the event of an emergency or the retirement of the Chief Executive Officer. The Board's evaluation of the Chief Executive Officer's performance will be shared with the Chief Executive Officer.

3. **Distribution of Materials**. Information and materials will be distributed in advance of the Board meetings where important to the Board's understanding or to facilitate discussion.

B. **Offsite Meetings**. The Board may meet outside of Cincinnati from time to time in conjunction with major strategic issues or an in-depth review of a major segment of the Company's operations.

C. **Special Meetings**. The Chairman of the Board or the Lead Director may call additional meetings as necessary to address important or urgent Company issues. Any member may request that the Chairman or the Lead Director call a special meeting. Special meetings may be held in person, or by telephone or other form of interactive electronic communication.

D. **Attendance**. Attendance is expected at all Board and Committee meetings, for the full length of such meetings. Any extraordinary circumstance that would cause a member to attend fewer than seventy-five percent (75%) of all Board and Committee meetings in a given year should be discussed with the Chairman of the Board and the Chair of the Governance & Public Responsibility Committee as far in advance as possible.

E. **Voting**. At any time, the independent members of the Board present at a duly-constituted meeting may determine, by majority vote, that members who are not independent should not participate in the discussion or voting with respect to any issue. This determination may be made for legal, conflict of interest or any other reason deemed appropriate by the independent members. Likewise, if it appears that an issue will impact the personal, business or professional interests of one or more members, other than with respect to Board compensation in Section VI, and those members fail to recuse themselves in accordance with Section II.E.6 above, a majority of the other members present at a duly-constituted meeting may determine that the affected members should not participate in the discussion or voting with respect to that issue.

IV. Board Leadership.

A. **Chairman of the Board**. The Board will be chaired by one (1) member. The Chairman of the Board will be appointed by vote of a majority of non-employee members of the Board present at a duly-constituted meeting and may be removed at any time by the same vote.

B. **Lead Director**. If the Chairman of the Board is the Chief Executive Officer of the Company, or if the Chairman of the Board is not independent, then one of the independent members of the Board will be named as Lead Director to help ensure that the Board has an appropriate level of independent leadership. The Lead Director will be chosen annually by a majority of the non-employee members of the Board present at a duly-constituted meeting after receiving a recommendation from the Governance & Public Responsibility Committee. The name of, and a means of directly contacting, the Lead Director will be made public. The Lead Director will have the following duties:

1. preside at all meetings of the Board in the absence of, or upon the request of, the Chairman of the Board;

2. lead regular executive sessions of the independent members of the Board;

3. approve meeting agendas for the Board and information sent to the Board;

4. approve meeting schedules to assure that there is sufficient time for discussion of all agenda items;

5. advise the Chairman of the Board and/or the Secretary regarding the agendas for the Board meetings;

6. call special meetings of the Board as necessary to address important or urgent Company issues;

7. call meetings of the non-employee and/or independent members of the Board, with appropriate notice;

8. advise the Governance & Public Responsibility Committee and the Chairman of the Board on the membership of the various Board committees and the selection of committee chairpersons;

9. advise the Chairman of the Board on the retention of advisors and consultants who report directly to the Board;

10. advise the Chairman of the Board and Chief Executive Officer, as appropriate, on issues discussed at executive sessions of non-employee and/or independent members;

11. with the Chairman of the Board (when Chairman and Chief Executive Officer roles are separate) and the Chair of the Compensation & Leadership Development Committee, review with the Chief Executive Officer the non-employee members' annual evaluation of the Chief Executive Officer's performance;

12. serve as principal liaison between the non-employee and/or independent members, as a group, the Chief Executive Officer, and the Chairman of the Board, as necessary;

13. engage when necessary and appropriate, after consultation with the Chairman of the Board and the Chief Executive Officer, as the liaison between the Board and the Company's shareholders and other stakeholders;

14. foster open dialogue and constructive feedback among the independent Directors;

15. facilitate cross-Committee feedback; and

16. select an interim Lead Director to preside over meetings at which he or she cannot be present.

C. **Executive Sessions**. Regardless of who holds the position of Chairman of the Board, the non-employee members of the Board will meet regularly outside the presence of any Company employee. For purposes of these executive sessions, a former Chief Executive Officer of the Company will be considered to be an employee member, and thus will not attend the executive sessions. Executive sessions will be led by the Chairman of the Board, if the Chairman is an independent member of the Board, or otherwise by the Lead Director. Additional semi-executive sessions (meetings of the non-employee members of the Board plus specific Company employees or other individuals) may be held at any time at the request of the Board, the Chairman or the Lead Director. In addition, at the request of the applicable Committee Chair or as part of regularly scheduled Committee meetings, the Committees will hold executive sessions that are limited to the non- employee members of the applicable Committee and specific Company employees or other individuals.

D. **Board Agendas**. The Chairman of the Board, in consultation with the Lead Director, if any, will determine the agenda for each meeting. All Board members should propose to the Chairman or the Lead Director the inclusion of additional agenda items that they deem necessary or appropriate in carrying out their duties.

V. Board Committees.

A. **Purpose**. The purpose of Board Committees is to help the Board effectively and efficiently fulfill its responsibilities, although the Committees do not displace the oversight responsibilities of the Board as a whole. Committees will report the results of their significant activities to the full Board or make recommendations to the full Board as appropriate.

B. **Standing Committees**. The Board has established four (4) standing Committees of the Board. The Governance & Public Responsibility Committee will regularly review the Board's committee structure and make recommendations to the full Board as needed. The Board may add, eliminate, and change the Charter or composition of any Committee at any time, except to the extent that such a change would violate the Company's Articles, Regulations, By Laws, or the listing standards of the NYSE. The four (4) standing Committees are the Audit Committee, the Compensation & Leadership Development Committee, the Governance & Public Responsibility Committee and the Innovation & Technology Committee.

C. **Committee Membership**. The Audit, Compensation & Leadership Development, and Governance & Public Responsibility Committees each will have not fewer than three (3) members consisting entirely of independent members of the Board. The Innovation & Technology Committee, which will also consist of not fewer than three (3) members, will include not fewer than one (1) independent member of the Board in addition to any other members of the Committee. The Board shall appoint one of its independent members to act as Chair of the Innovation & Technology Committee.

D. **Assignment and Rotation of Committee Members**. The Governance & Public Responsibility Committee will, after consultation with the Chairman of the Board, and the Lead Director, if any, make membership recommendations for all Committees to the full Board for action at the first Board meeting following the annual meeting of shareholders. In making these recommendations, the Governance & Public Responsibility Committee will consider factors and considerations it deems relevant, one of which includes the potential value of rotating Committee chairs and members from time to time. However, the Board acknowledges the value of experience and continuity and recognizes that at times, it may not be in the best interest of the Company or the Board to rotate certain Directors.

E. **Committee Agendas**. The Chair of each Committee will, after consultation with appropriate members of Company management, determine the agenda for each meeting. The Chairman of the Board, Lead Director and other Committee members may also suggest the inclusion of items on the agenda.

F. **Duties of Committees**. Each Committee shall have a Committee Charter specifying the duties and responsibilities of the Committee and its members.

VI. Board Compensation.

A. **Compensation & Leadership Development Committee Responsibility**. The Compensation & Leadership Development Committee of the Board will annually review the compensation of Board members, and will make recommendations to the full Board.

B. **Compensation Philosophy**. In making its recommendations to the full Board concerning the compensation of Board members, the Compensation & Leadership Development Committee should consider the following goals:

1. Board members should be fairly compensated for the work involved in overseeing the management of a company the size and scope of the Company.

2. Board member compensation should be competitive with director compensation at other U.S. companies the size and scope of the Company.

3. Board member compensation should align Board members' interests with the long-term interests of the Company's shareholders.

VII. Board Access to Management and Independent Advisors.

A. **Management**. Non-employee members of the Board are encouraged to contact and/or meet with Company employees without principal officers being present for purposes of gathering information. The Company will, on a regular basis, provide specific opportunities for this type of interaction. However, no individual director should give direction to Company employees during these meetings; such direction should be provided by the full Board to the Company's Chief Executive Officer.

B. **Independent Advisors**. The Board will hire such independent advisors, including attorneys, accountants, investment bankers and other consultants, as it deems necessary or appropriate to carry out its duties.

VIII. Board Orientation and Continuing Education.

A. **Orientation**. The Secretary of the Company will arrange for new members of the Board to meet with senior operating and functional managers of the Company, in order that the new member can become familiar with the Company's strategic plans, financial statements, and key policies and practices. This orientation should begin as soon as practicable after the new Board member is elected, and should be complete within one (1) year after s/he joins the Board.

B. **Continuing Education**. From time to time, the Company will provide Board members with presentations from Company and/or third party experts on topics that will assist Board members in carrying out their responsibilities. In addition, once per year the Company will pay the reasonable expenses for any Board member who wishes to attend accredited third party training for directors.

IX. Service on Other Boards.

A. **Generally**. Directors shall advise the Chair of the Governance & Public Responsibility Committee in advance of accepting an invitation to serve on another board.

B. **Chairman of the Board**. The Chairman of the Board may not serve on more than two (2) outside public boards without the approval of a majority of the non- employee members of the Board. Service on charitable or educational boards does not count towards this limit, unless a majority of the non-employee members of the Board determines that such service constitutes an unreasonable demand on the Chairman's time.

C. **Non-Employee Members of the Board**. A non-employee member of the Board who is not an active chief executive officer is limited to serving on three public company boards (including the board of his/her own company, if applicable) in addition to serving on P&G's Board of Directors. If the member is an active chief executive officer of another public company, the member is limiting to serving on one (1) other public company board (including his/her own company) in addition to serving on P&G's Board of Directors.

D. **Employee Board Members**.

1. **Chief Executive Officer**. The Company's Chief Executive Officer may not serve on more than one (1) outside public board without the approval of a majority of the non-employee members of the Board and must consult with the Board before accepting an appointment to an outside board. Service on charitable or educational boards does not count towards this limit, unless a majority of the non-employee members of the Board determines that such service constitutes an unreasonable demand on the Chief Executive Officer's time.

2. **Other Employee Board Members**. Members of the Board who are Company employees (other than the Chief Executive Officer) may not serve on more than one (1) outside public board without the approval of a majority of the non-employee members of the Board and must consult with the Chief Executive Officer before accepting any appointment to an outside board. The Chief Executive Officer will consult as appropriate with the Chairman of the Board (if the Chief Executive Officer is not the Chairman) or the Lead Director with respect to such appointments. Service on charitable or educational boards does not count towards this limit, unless a majority of the non-employee members of the Board determines that such service constitutes an unreasonable demand on the employee Board member's time.

E. **Principal Officers of the Company Elected by the Board**. No principal officer of the Company elected by the Board may serve on the board of a significant or potentially significant competitor or customer. Principal officers should normally avoid serving on the Board of a significant or potentially significant supplier, contractor, or consultant. All principal officers must consult with the Company's Chief Executive Officer before accepting an appointment to an outside board. The Chief Executive Officer will consult with the Board prior to any officer accepting a position on the board of any significant or potentially significant supplier, contractor, or consultant, and will annually inform the Board of any outside board memberships accepted by principal officers of the Company.

X. **Stock Ownership Guidelines**. Each non-employee member of the Board is required to own common stock of the Company in accordance with the Company's share ownership guidelines for non-employee directors. Employee members of the Board are required to own stock of the Company in accordance with the Company's share ownership guidelines for Company executives.

XI. **Board Self-Evaluation**. Annually, the Board will conduct a self-evaluation under the leadership of the Governance & Public Responsibility Committee. The Board will discuss the report of the Governance & Public Responsibility Committee concerning the performance of the Board and its members and take appropriate actions in response.

XII. **Amendment of these Guidelines**. Recognizing that best practices for corporate boards of directors, and practical considerations, will change over time, the Board will monitor developments in these areas, and will amend these Guidelines as it deems appropriate.

Appendix A to The Procter & Gamble Company Board of Directors Corporate Governance Guidelines:

Guidelines for Determining Independence of Board Members

It is expected that Board members (in that role) will exercise diligently and in good faith their independent judgment in the best interests of the Company and its shareholders as a whole, notwithstanding their other activities or affiliations.

The Board has determined that if the Chairman of the Board is independent, the Board will be comprised of at least a majority of "independent" members, and if the Chairman of the Board is not independent, the Board will be comprised of at least 2/3 independent members. No Board member qualifies as "independent" unless the Board affirmatively determines that the Board member has no material relationship with the Company or Company management. In furtherance of this goal, the Board has adopted the following guidelines for determining whether a member is "independent."[1]

I. Disqualifying Factors

A. A Board member will NOT be independent if, within the past three (3) years:

1. the Board member is employed by the Company or a member of his/her immediate family is an executive officer of the Company;

2. the Board member receives, or a member of his/her immediate family receives more than $120,000 during any twelve (12)-month period in direct compensation from the Company, other than director and committee fees and pension or other forms of deferred compensation for prior service which are not contingent in any way on continued service;

3. the Board member, or a member of his/her immediate family, was a partner or employee of the internal or external auditor of the Company and personally worked on the Company's audit within that time; or

4. the Board member is employed, or a member of his/her immediate family is employed as an executive officer of another company where any of the Company's present executives serve on that company's compensation committee.

B. A Board member will NOT be independent if:

1. the Board member is an employee, or any member of his/her immediate family is an executive officer, of a company that makes payments to, or receives payments from, the Company for property or services in an amount which, in any of the last three (3) fiscal years, exceeds the greater of $1,000,000 or two percent (2%) of such company's consolidated annual gross revenues;

2. the Board member is an employee, or any member of his/her immediate family is an executive officer, of a company which is indebted to the Company or to which the Company is indebted, and the total amount of the indebtedness exceeds the greater of $1,000,000 or two percent (2%) of the consolidated annual gross revenues of either company;

3. the Board member or any member of his/her immediate family is an officer of a charitable or educational organization, and donations by the Company (excluding any Company matches of charitable contributions made by employees or directors) during any single fiscal year within the preceding three (3) years exceed the greater of $1,000,000 or two percent (2%) of the organization's consolidated annual gross revenues; or

4. The Board member is a current partner or employee of the Company's internal or external auditor, or a member of his/her immediate family is (a) a current partner of any such auditor or (b) a current employee of any such auditor and personally works on the Company's audit.

II. Immaterial Relationships

A. The following relationships will be considered immaterial for purposes of these guidelines unless they otherwise conflict with the listing standards of the NYSE, the rules and regulations of the Securities and Exchange Commission or any other legal or regulatory restrictions applicable to the Company at the time:

1. A relationship arising solely from the Board member's position as a director, trustee or similar position of another company that is a party to a transaction with the Company and the Board member is not involved in the negotiations of the terms of the transaction and does not receive any special benefits as the result of the transaction;

2. A relationship arising solely from the Board member's (or any member of his/her immediate family) position as an executive officer or employee of another company or similar entity that is a party to a transaction with the Company where (a) the Board member, and the members of his/her immediate family, own in the aggregate less than five percent (5%) of the equity or similar ownership interest in such company or entity, (b) the Board member (and the members of his/her immediate family) is not involved in the negotiations of the terms of the transaction and does not receive any special benefits as the result of the transaction, and (c) the amount involved in the transaction does not exceed the greater of $1,000,000 or two percent (2%) of the consolidated annual gross revenues of the other entity that is party to the transaction;

3. A relationship arising solely from the Board member's (or any member of his/her immediate family) position as an officer, director, trustee or similar position of a charitable or educational organization or similar entity that receives donations from the Company (excluding any Company matches of charitable contributions made by employees or directors) where (a) the Board member (and the members of his/her immediate family) is not involved in the negotiations of the terms of the donations and does not receive any special benefits as the result of the donations, and (b) the amount of the donations does not exceed the greater of $1,000,000 or two percent (2%) of the organization's consolidated annual gross revenues;

4. A relationship arising solely from the direct or indirect ownership by the Board member, and the members of his/her immediate family members, in the aggregate, of less than five percent (5%) of the equity or similar ownership interest in a company or similar entity that is a party to a transaction with the Company where the Board member (and the members of his/her immediate family) is not involved in the negotiations of the terms of the transaction and

does not receive any special benefits as the result of the transaction;

5. a relationship arising solely from a transaction where the rates or charges involved in the transaction are determined by competitive bids;

6. a relationship arising solely from the rendering of services as a common carrier or public utility at rates or charges fixed in conformity with law or governmental regulations; and

7. a relationship that involves services as a bank depository of funds, transfer agent, registrar, trustee under a trust indenture or similar services.

All relationships that are deemed immaterial pursuant to this Section II will be reported to the Chair of the Governance & Public Responsibility Committee annually for information purposes only.

III. Determination of Independence

The Board will make assessments regarding Board member independence in accordance with the listing standards of the NYSE and the standards discussed above. In making such assessments, the Board will examine the independence of each of its members once per year, and more frequently when there are changed circumstances that may affect a Board member's independence. If a Board member has one or more relationships covered by Section I above, or the Board member otherwise does not meet the objective listing standards of the NYSE, then that Board member will not be independent. If a Board member only has relationships covered by Section II, on the other hand, then the Board will presume that director to be independent under these guidelines and the NYSE listing standards, unless the Board determines based on other facts and circumstances that the director is not independent. If a Board member has one or more relationships that do not fall in Section I and II, then the independent Board members will consider those relationships in determining whether they otherwise affect his/her independence under NYSE listing standards. Regardless of other circumstances, a Board member will not be independent if s/he does not meet the NYSE independence standards or any applicable legal requirement.

IV. Disclosure

The Board's independence determinations will be disclosed in the Company's proxy statement.

V. Definitions

For purposes of these guidelines, "members of his/her immediate family" and similar phrases will mean a person's spouse, parents, children, siblings, mothers- and fathers-in- law, sons- and daughters-in-law, brothers- and sisters-in-law, and anyone (other than an employee) who shares the person's home; and "the Company" means The Procter & Gamble Company and all of its subsidiaries.

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[1] NOTE THAT THESE GUIDELINES ARE INTENDED TO BE AT LEAST SUFFICIENT TO MEET THE LISTING STANDARDS OF THE NEW YORK STOCK EXCHANGE ("NYSE") AND APPLICABLE REGULATIONS. NOTE ALSO THAT CERTAIN SPECIAL INDEPENDENCE REQUIREMENTS APPLY TO MEMBERS OF THE COMPANY'S AUDIT COMMITTEE. THESE REQUIREMENTS ARE SET FORTH IN THE COMMITTEE MEMBER QUALIFICATIONS SECTION OF THE AUDIT COMMITTEE CHARTER.

Appendix B to The Procter & Gamble Company Board of Directors Corporate Governance Guidelines:

Board Confidentiality Policy

Ohio law requires a Director of The Procter & Gamble Company (the "Company") to perform his or her duties as a Director, including the duties as a member of any Board Committee upon which the Director may serve, in good faith, in a manner the Director reasonably believes to be in, or not opposed to, the best interests of the Company, and with the care that an ordinarily prudent person in a like position would use under similar circumstances. One important facet of these fiduciary duties is the responsibility to protect and hold confidential all non-public information obtained in the role of a Director. Therefore, it is the policy (the "Policy") of the Board of Directors (the "Board") of the Company that:

1. no Director shall use Confidential Information for his or her own personal benefit or to benefit any person or entity outside the Company; and

2. no Director shall disclose Confidential Information to any person or entity outside the Company, either during or after his or her service as a Director of the Company, except with express prior permission of the Company's Chief Legal Officer, the Chairman of the Board of Directors or as may be otherwise required by law.

For purposes of this Policy, "Confidential Information" shall constitute all non-public information (whether or not material to the Company) entrusted to or obtained by a Director by reason of his or her position as a Director of the Company. It includes, but is not limited to, non-public information that might be of use to competitors or harmful to the Company, its customers or suppliers or other stakeholders if disclosed, such as:

1. non-public information about the Company's financial condition, projections, forecasts, prospects or plans;
2. non-public information regarding the Company's marketing and sales programs, research and development, new product launches or initiatives, or leadership succession plans for the Company's senior officers;
3. non-public information relating to possible business transactions such as mergers, acquisitions, divestitures or joint ventures, or possible capital transactions such as credit facilities, share repurchases, dividends or stock splits;
4. non-public information concerning other companies with whom the Company may conduct business, including information about the Company's customers, suppliers, joint venture partners, or other companies with which the Company is under an obligation of confidentiality; and
5. non-public information about meetings, presentations and discussions relating to issues, deliberations and decisions between and among employees, officers and Directors and their advisers, including the identity, circumstances and fact of retention of any such advisers.

By approving this Policy, each Director agrees that all current and future Directors will be bound by the terms of this Policy and that any Director who willfully violates this Policy will immediately tender his or her resignation to the Board.

The provisions contained in this Policy shall be in addition to the obligations imposed upon each Director pursuant to the Company's Worldwide Business Conduct Manual and Insider Trading Policy.

Appendix C to The Procter & Gamble Company Board of Directors Corporate Governance Guidelines:

Audit Committee Guidelines Regarding "Financial Literacy," "Accounting or Related Financial Management Expertise", and "Audit Committee Financial Expert" Status

The Board has adopted the following guidelines for determining whether an Audit Committee member has financial literacy and accounting or related financial management expertise or may be deemed an Audit Committee financial expert, all as set forth in NYSE listing standards or SEC rules, as applicable.

I. Financial Literacy

A. To be considered "financially literate," a member must have all of the following attributes:

1. An understanding of generally accepted accounting principles and financial statements; and

2. An understanding of audit committee functions.

B. The above criteria can be met in one or more of the following ways:

1. Financial training provided as part of new Committee member onboarding;

2. Past or current membership on one or more audit committees;

3. Accounting or other financial education;

4. Experience reviewing, preparing, auditing or analyzing financial statements;

5. Education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor, or experience in one or more positions that involve the performance of similar functions;

6. Experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions;

7. Experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements; or

8. Other relevant experience.

II. Accounting or Related Financial Management Expertise.

A. The member(s) designated as having "accounting or related financial management expertise" must have all of the following attributes:

1. An understanding of generally accepted accounting principles and financial statements;

2. An understanding of internal controls and procedures for financial reporting; and

3. An understanding of audit committee functions.

B. The above criteria can be met in one or more of the following ways:

1. Past or current membership on one or more audit committees;

2. Accounting or other financial education;

3. Experience reviewing, preparing, auditing or analyzing financial statements;

4. Education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor, or experience in one or more positions that involve the performance of similar functions;

5. Experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions;

6. Experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements; or

7. Other relevant experience.

III. Audit Committee Financial Expert

A. An audit committee financial expert must have all of the following attributes:

1. An understanding of generally accepted accounting principles and financial statements;

2. The ability to assess the general application of generally accepted accounting principles in connection with the accounting for estimates, accruals and reserves;

3. Experience preparing, auditing, analyzing or evaluating financial statements that present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements, or experience actively supervising one or more persons engaged in such activities;

4. An understanding of internal controls and procedures for financial reporting; and

5. An understanding of audit committee functions.

B. The audit committee financial expert must have obtained these attributes in one or more of the following ways:

1. Education and experience as a principal financial officer, principal accounting officer, controller, public accountant or auditor, or experience in one or more positions that involve the performance of similar functions;

2. Experience actively supervising a principal financial officer, principal accounting officer, controller, public accountant, auditor or person performing similar functions;

3. Experience overseeing or assessing the performance of companies or public accountants with respect to the preparation, auditing or evaluation of financial statements; or

4. Other relevant experience (but not merely education).

Notes to Assist in Determining an "Audit Committee Financial Expert"

The "experience preparing, auditing, analyzing or evaluating financial statements" must include actually working directly and closely with financial statements in a way that provides familiarity with the contents of financial statements and the processes behind them.

In determining whether the financial statements to which a person has been exposed "present a breadth and level of complexity of accounting issues that are generally comparable to the breadth and complexity of issues that can reasonably be expected to be raised by the Company's financial statements," the Board will focus on a variety of factors such as the size of the company with which the person has experience, the scope of that company's operations, and the complexity of its financial statements and accounting. Familiarity with particular financial reporting or accounting issues, or any other narrow area of expertise, is not dispositive.

"Actively supervising" someone engaged in such activities must include participating in, and contributing to, the process of addressing the same general types of issues regarding preparation, auditing, analysis, or evaluation of financial statements as those addressed by the person(s) being supervised. The supervisor should have experience that has contributed to the general expertise necessary to prepare, audit, analyze or evaluate financial statements that is at least comparable to the general expertise of those being supervised.

In considering whether a person qualifies as an audit committee financial expert, the Board will consider all the available facts and circumstances, including without limitation:

A. The level of the person's accounting or financial education;

B. Whether the person is a certified public accountant, and the length of time that the person actively practiced as a certified public accountant;

C. Whether the person is certified or otherwise identified as having accounting or financial expertise by a recognized private body;

D. Whether the person has served as a principal financial officer, controller or principal accounting officer;

E. The person's specific duties as a public accountant, auditor, principal financial officer, controller, or principal accounting officer;

F. The person's level of familiarity and experience with all applicable laws and regulations regarding the preparation of financial statements;

G. The level and amount of the person's direct experience reviewing, preparing, auditing or analyzing financial statements;

H. The person's past or current membership on one or more audit committees;

I. The person's level of familiarity and experience with the use and analysis of financial statements;

J. The person's ability to diligently, intelligently and zealously question Company management and the Company's independent auditor about the Company's financial statements;

K. Whether the person embodies the highest standards of personal and professional integrity; and

L. Whether the person has experience actively supervising a principal financial officer, principal accounting officer, controller public accountant, auditor or person performing similar functions.