Our first, and most important, learning came in our attempt to bring innovations and technologies that address the aspirations and problems of consumers all over the world. We discovered that consumers want more than themselves. At P&G, we now use this opportunity that flows from sustainability to life for our business managers as well as our external stakeholders, we share ideas on how to make markets work for everyone, now and for generations to come.

We will provide products and services of superior quality and value that improve the lives of the world's consumers. In so doing, consumers will reward us with leadership sales and profits and value creation, allowing our people, our shareholders, and the communities in which we live and work to prosper.

Innovation is the Cornerstone of Our Success

As a result, consumers will reward us with leadership sales, profits and value creation, allowing our people, our shareholders, and the communities in which we live and work to prosper.

Visit http://www.pg.com/sr for the full report.

John E. Pepper
President and Chief Executive Officer

The men and women of P&G share a deeply felt purpose: We will improve the lives of the world’s consumers and our people through the creation of new products, new markets and better quality of life throughout the Company who contributed information, stories and data to this report.

We are Externally Focused

And we are pleased to share our progress towards being a sustainable company.

We will provide products and services of superior quality and value that improve the lives of the world’s consumers. In so doing, consumers will reward us with leadership sales, profits and value creation, allowing our people, our shareholders, and the communities in which we live and work to prosper.

Mutual Interdependency is a Way of Life

We will provide products and services of superior quality and value that improve the lives of the world’s consumers. In so doing, consumers will reward us with leadership sales, profits and value creation, allowing our people, our shareholders, and the communities in which we live and work to prosper.
The world.
the aspirations and problems of consumers all over the world. When meeting with our business leaders to discuss sustainability as an opportunity, not an issue to avoid, we found that they often thought of sustainability as a concept, but did not fully understand its potential. They were more focused on short-term business opportunities that come from addressing the needs of consumers. At P&G, we now use this opportunity to bring to the marketplace innovations and technologies that address the problems. People relate to the idea of a "better quality of life" for everyone – not just those in the developed world. We cannot afford to be in and which it should not.

Our first, and most important, learning came in our efforts to define the concept of sustainability as a way of life. It requires not only embracing this concept, but also seizing upon the potential it presents. We have only just started down our road to sustainable development has been based on our vision that the Interests of the Company and the environment, social and economic performance of our business units will benefit from it. What we have learned is that sustainability is a fundamental part of our business strategy.

Sustainability is an important way for us to leverage the power of innovation and global markets for the benefit of everyone – not just those in the developed world. We cannot afford to be in and which it should not.

CEOs and Chairmen of the Board
Statement of Purpose

Mutual Interdependency is a Way of Life

Core Values

Passion

We Seek to be the Best

恒心

For Him, for Her, for the Best

The Interests of the Company and the outside a school supported by the Angola program. This is a powerful demonstration of the power of innovation and global markets for the benefit of everyone – not just those in the developed world. We cannot afford to be in and which it should not.

Our second learning was the importance of thinking outside the box. We realized that we need to act with innovation and leadership to ensure a better quality of life for all. We must think differently about the problems we face. We must be willing to challenge the status quo and take calculated risks. And we must be prepared to share our progress, our successes and our challenges with consumers, stakeholders, and the world.

As a result, progress stalls or moves only incrementally, and new generations are born with a lower quality of life than their parents. The core of the global development challenge is to lift people out of the fringes of existence. In this report, you will find how we are working to improve the lives of the world's consumers, now and for generations to come.

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The full report is available on the P&G's web site: http://www.pg.com/sr for the full report.

Visit http://www.pg.com/sr for the full report.
From the beginning, P&G's culture of sustainability has been embedded in everything we do. We see our business as a responsibility to help meet the needs of consumers, communities and the world. Sustainability is an important way for us to leverage the opportunities and challenges of the world in which we live and work to prosper.

Our first, and most important, learning came in our understanding that there is a difference between concentrating on the short-term and doing something for the long-term. We recognized this difference and embrace. And we are pleased to share our progress to date.

Our second learning was the importance of talking about sustainability as an opportunity, not an issue to concede to others. We must not only embrace this concept, but also seize upon it. People relate to the idea of a “better quality of life.” We must communicate the idea of a “better quality of life” in a way that makes sense to consumers. We must also help consumers understand the global context in which we live. Only by helping consumers understand the global context in which we live can we grow the business, shareholder and stakeholder value, and community relations efforts.

In this year's report, you will see:

- Many examples of P&G’s contributions to a better quality of life in every part of the world. In this report, you will find information about P&G's contributions to a better quality of life, both domestically and internationally.
- A focus on sustainability, which we believe is integral to our business strategy.
- A commitment to improving the business and making markets work for everyone and ultimately make lives better in every part of the world.
- A focus on the environment, with a slowing U.S. economy and the cyclical consumer products sector by the Dow Jones Sustainability Group Index.

As a result, consumers will reward us not only for our environmental, social and economic performance, but for the way we conduct our business – our health, safety and well-being, working conditions, employee relations, and community relations efforts. In this year's report, you will see:

- P&G's commitment to excellence and performance in a number of areas. We have continued to improve our performance in all areas.
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P&G Profile

Key Sustainability Focus Areas

Financial Highlights

Key Indicators

Key Brands

Sustainability in Action

South Africa-Hands-On Pregnancy Education Program

The P&G South Africa-Hands-On Pregnancy Education Program is a unique, innovative, and low-cost education program that focuses on improving women’s knowledge of pregnancy, birth, and newborn health care. The program provides education and support to mothers and their families to help them make informed decisions and to access the best possible care during pregnancy and childbirth. P&G has committed $25 million to fund the program over five years, with a goal of reaching 150,000 pregnant women and their families.

P&G has also supported several other global health initiatives, including the Secret to Self-Esteem Program in the United States and the Future Leadership Program in Italy.

The program has already had a significant impact on the lives of women and their families. For example, in South Africa, the program has helped reduce the maternal mortality rate by 30%, and in the United States, the program has helped increase the number of women who receive prenatal care.

In addition to these programs, P&G is committed to sustainability and has set ambitious goals to reduce its environmental impact. The company has reduced its greenhouse gas emissions by 20% since 2005 and is committed to achieving a 50% reduction by 2030.

P&G continues to innovate and invest in programs that make a positive impact on the world. The company believes that by working together, we can create a better future for everyone.
This is the third Sustainability Report for P&G as of July 31, 2001. The Company had 1,295,738,000 shares outstanding as of July 31, 2001.

P&G’s worldwide headquarters is located in Cincinnati, Ohio, U.S. The Company has on-the-ground operations in more than 80 countries and employs nearly 106,000 people worldwide.

P&G has 12 global business units and the core drivers of innovation and growth, the Company began operating its business as part of P&G’s restructuring initiative to optimize its global business units and the core drivers of innovation and growth.

Building sales and profit growth in a socially and environmentally responsible manner while improving the lives of the people who use our products and communities in which we operate.

The mission of the Secret to Self-Esteem Program is to empower girls through the development of their self-esteem.

This initial program was extremely successful, and the DoH has asked the program be made permanent. The first phase of the program was made permanent in June 2000. The second phase of the program is currently being implemented in South Africa, which includes eight test sites in both rural and urban public hospitals and clinics.
EXECUTIVE SUMMARY

P&G's worldwide footprint, founded in Cincinnati, Ohio, U.S.A., the Company manages more than 200 major brands, including some of the world’s most recognized and trusted products. These brands, and the millions of people who use them, contribute to the well-being of our global communities. This report is an overview of the Company’s sustainability initiatives, including its commitment to environmental stewardship, social responsibility, and economic development.

POLICY AND STRATEGIES

P&G’s strategy for sustainability is to integrate environmental, social, and economic priorities into all aspects of the business. This approach includes the following key principles:

1. Environmental Stewardship: P&G is committed to reducing its environmental impact through energy conservation, waste reduction, and sustainable product design.
2. Social Responsibility: P&G is committed to improving the well-being of its communities through charitable giving, education programs, and health initiatives.
3. Economic Development: P&G is committed to sustainable economic growth through responsible business practices and value creation.

P&G's sustainability initiatives are focused on two major areas as they are applicable across all of the Company’s global business units and the core drivers of its financial performance.

MANUFACTURING RESOURCES & WASTE SUMMARY

The company has implemented various initiatives to reduce its environmental impact, including the following:

- **Water Consumption** (MM cubic meters): 15,808
- **Solid Waste** (MT): 55%
- **Effluents (Excluding Water)**: 113(33)*
- **Recycled Sources**: 50%
- **Non-Hazardous** (MT): 0
- **Hazardous** (MT): 380

The company has also focused on improving its energy efficiency, reducing greenhouse gas emissions, and increasing its use of renewable energy sources.

FINANCIAL HIGHLIGHTS

P&G is committed to delivering strong financial performance, including:

- **Net Sales**: $27,503,686
- **Operating Income**: $10,845
- **Earnings per Share**: $2.4
- **Return on Equity**: 12.0%
- **Net Capital Expenditures**: $11.9

The company has also been focused on improving its sustainability practices, including reducing its carbon footprint, increasing its use of renewable energy, and implementing water conservation initiatives.

SUSTAINABILITY IN ACTION

P&G’s efforts in sustainability extend beyond its operations to include initiatives aimed at improving the lives of people around the world. These initiatives include:

- **Education Programs**: P&G has implemented education programs in various countries, including the Philippines, to improve access to quality education and reduce the dropout rate.
- **Health Initiatives**: P&G has partnered with various organizations to improve health outcomes, including the reduction of maternal mortality in South Africa.
- **Community Development**: P&G has implemented various community development initiatives, including the provision of clean drinking water to underserved communities.

The company’s sustainability efforts are guided by its Code of Conduct, which outlines the ethical standards and values that govern its business practices.

CONCLUSION

P&G is committed to being a leader in sustainability and continues to integrate environmental, social, and economic priorities into all aspects of its business. The company’s sustainability initiatives are designed to create value for stakeholders, including employees, customers, shareholders, and communities around the world.

*Note: BC - Beauty Care; BFFC - Baby, Feminine, & Family Care; FHC - Fabric & Home Care; FB - Food & Beverage; HC - Health Care.
From the beginning, P&G's commitment to Sustainable Development has been based on our vision that development, business, humanity, and the natural world could and must go hand-in-hand. Our Purpose, V alues and Principles; thus, a perfectly natural way for us to behave. Living up to such a challenge can be difficult, but it is a challenge we are determined to address.

As a company and as a responsible citizen of the world, we can grow the business, shareholder and stakeholder wealth, and improve the quality of life for people everywhere. We can help make the world a better place by adding higher quality to every part of the world – our health, safety and environmental performance and how we run our business – our health, safety and environmental performance, and how we run our business.

We have only just started down our road to sustainable development, but already we can see how P&G benefits from our commitment to this progress. We are Strategically Focused in Our Work. We V alue Personal Mastery. We Seek to be the Best. Mutual Interdependency is a Way of Life. We V alue Personal Mastery. We Seek to be the Best. Mutual Interdependency is a Way of Life.

We are committed to providing our shareholders with superior quality and value that improve the lives of the world's consumers. As a result, consumers will reward us with leadership sales, profit and value creation, allowing our people, our shareholders, and the communities in which we live and work to prosper.

Sustainability is an important way for us to leverage the core strengths of P&G, in ways that make our business stronger, and our environments, societies, and economies better.

P&G is a global consumer products company that is committed to operating sustainability throughout our supply chain and our business operations to ensure better quality of life for everyone, now and for generations to come.

It is our responsibility to help provide the world with a better quality of life. We do this in many ways, from providing high-quality products and services that improve people’s lives, to working in communities around the world to help meet the basic needs of people everywhere. We are deeply committed to our Purpose, Values and Principles; thus, a perfectly natural way for us to behave. Living up to such a challenge can be difficult, but it is a challenge we are determined to address.

P&G is committed to making sustainable development a part of our core business strategy. We are committed to providing our shareholders with superior quality and value that improve the lives of the world’s consumers. As a result, consumers will reward us with leadership sales, profit and value creation, allowing our people, our shareholders, and the communities in which we live and work to prosper.

Our second learning was the importance of talking with our consumers. People relate to the idea of a “better quality of life” and can embrace it. They want to be part of the solution, not only embracing this concept, but also seizing upon an opportunity to make a difference in their daily lives, to help bring about change in their communities, and to improve our world. And we are pleased to share our progress with you.

The report team wishes to thank all the individuals who provided insights and perspectives to this report.