Report on Fighting Against Forced Labour and Child Labour in Supply Chains
Financial Year 2023- 2024

The Procter & Gamble Company, Procter & Gamble Inc., First Aid Beauty Limited ("FAB"), Tula Life Inc. ("Tula"), Farmacy Beauty, LLC ("Farmacy"), and United Beauty Brands, LLC ("UBB") (collectively referred to as the "Reporting Entities") are part of the global Procter & Gamble group of companies ("Group").

Pursuant to the requirements of Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act, the following describes the steps taken by the Group on behalf of all subsidiaries of The Procter & Gamble Company, including the Reporting Entities, to prevent and mitigate the risk of forced or child labour in the Group's own operations or supply chains during the financial year 2023-2024 (FY 2024).

STRUCTURE, ACTIVITIES, AND SUPPLY CHAIN

The ultimate parent company of the Reporting Entities and of the Group is The Procter & Gamble Company ("Procter & Gamble" or "P&G"). Procter & Gamble has its headquarters in the United States of America.

The Group's organizational structure is comprised of Sector Business Units (SBUs), Enterprise Markets, Corporate Functions, and Global Business Services. Its ten product categories are organized into five SBUs: Beauty, Grooming, Health Care, Fabric & Home Care, and Baby, Feminine & Family Care.

The Group provides branded consumer packaged goods to consumers around the world. Its products are sold in approximately 180 countries and territories, primarily through mass merchandisers, e-commerce channels, grocery stores, membership club stores, drug stores, and other channels. It also sells direct to individual consumers. The Group has on-the-ground operations in approximately 70 countries and has about 107,000 employees worldwide.

In Canada, Procter & Gamble Inc. engages in sales, marketing, and distribution, as well as manufacturing. The Procter & Gamble Company imports inventory into Canada and owns the inventory in Canada. FAB, Tula, Farmacy, and UBB engage in the sales, marketing, and distribution of products in Canada.

The Group's global supply network includes more than 60,000 suppliers from around the world and across a wide range of industries and services. These suppliers provide essential materials, packaging, equipment, transportation, contract manufacturing and logistics, as well as IT, capital, marketing and other services to all the countries in which it operates, including Canada.

POLICY ON CHILD AND FORCED LABOUR

The Group does not permit the use of child labor, forced labor, compulsory labor, slavery, prison labor, indentured labor, bonded labor, or use of corporal punishment or other forms of mental and physical coercion as a form of discipline across its own operations and throughout its supply chain. An individual of less than 15 years of age is considered a child. If local law sets a minimum age below 15 years, and the minimum age is in accordance with the exceptions under International Labor Organization Convention 138, then the minimum age specified by local law will apply. For hazardous work, an individual of less than 18 years of age is considered a child.

APPROACH TO DUE DILIGENCE:

Human rights due diligence consists of the processes that the Group follows to manage actual and potential impacts on individuals' human rights while engaging stakeholders throughout the process.

The Group's approach comprises the following:

- Assess & Identify: Actual or potential impacts on people, using a risk-based approach;
- Integrate & Act: Take steps to prevent adverse impacts from occurring; mitigate their likelihood and severity; leverage the Group's business relationships to influence; and work to enable an effective remedy;
- Track & Monitor: The effectiveness of the Group's business process for assessing and addressing adverse impacts;
- Communicate: Share information with stakeholders on how the Group addresses adverse impacts and risk, including, where appropriate, through public reporting;
- Openly engage: With business partners and stakeholders to understand potential human rights impacts and develop meaningful actions to work to address adverse impacts.

The Group is committed to creating a work environment, both internally and with our business partners, which fosters open communications and supports individuals in reporting potential violations. Retaliation for raising concerns in good faith is not tolerated. The Group manages all allegations arising in relation to its supply chain through its Supply Chain Grievance framework, which is aligned with the effectiveness criteria of the UNGPs and seeks to enable remedy for affected stakeholders when impacts have occurred that are linked to the Group's products or services.

ASSESSING AND MANAGING SUPPLY CHAIN RISKS

Based on the Group's activities and supply chains, the risk of forced labour or child labour are generally most significant in certain agricultural raw materials supply chains, at the level of raw material cultivation several tiers down the supply chain, often where migrant labour or contract labour are present.

During the reporting period of July 1, 2023, through June 30, 2024, the Group identified risks in its palm oil, psyllium, mica, and jasmine supply chains.

Where risks are identified, the Group's actions to assess and manage these risks have included:

- Conducting further detailed assessments, often utilizing independent expert organizations with field-based experience, to more comprehensively assess & understand risks;
- Requiring compliance with heightened due diligence requirements around the specific risks of forced or child labour;
- Developing sourcing strategies that may seek to avoid higher-risk supply chain partners or sourcing geographies, require independent certifications and compliance with external standards, or seek to increase leverage with supply chain partners;
- Engaging with supply chain partners by using leverage to seek to prevent and address risks and impacts.

One example of a supply chain with risk of forced labour is the palm oil supply chain.

The Group's approach to manage and assess this risk includes clear Group policy commitments and supplier expectations, proactive supplier engagement, independent monitoring, certification requirements, internal and third-party grievance processes, external stakeholder engagement, and using leverage with suppliers for remediation and to enable remedy for affected stakeholders. The Group's Tier 1 Suppliers are required to be members of Roundtable on Sustainable Palm Oil (RSPO) and to be committed to the RSPO 2018 Principles and Criteria (P&Cs) as part of its compliance verification. RSPO certification requires verification via independent audits that plantation and production processes align with RSPO standards, including annual surveillance audits. Post the initial certification, surveillance audits are conducted annually. If compliance to standards is not maintained, then certified status may be withdrawn. RSPO also operates an RSPO Complaints Systems where concerns raised are investigated and addressed. If substantiated, this may lead RSPO to require remediation plans and/or suspension of certifications. These measures provide independent auditing, validation, and monitoring of compliance to ensure sustainable palm production practices.

In addition to the RSPO complaints process, the Group maintains its own Supply Chain Grievance process to investigate all concerns reported directly to the Group and, where indicated, take appropriate actions.

REMEDIATION

Measures that the Group has taken to remediate forced labour and child labour include:

- Engaging: Collaborating with supply chain partners to investigate and resolve allegations, including development of supplier time-bound restoration or compensation plans, improvements to supplier's internal management systems, and involvement of external expert organizations.
- Suspending: Immediate halts to further development activities or temporary suspension of down-stream purchasing from the area or the supplier in question. The Group will continue limited engagement via third-party monitoring or assessments to determine if/when a suspended supplier is in accordance with policies and the law and has demonstrated actions that would qualify for resumption of business.
- Enabling Remedy: Using leverage to encourage and support suppliers to provide effective remedies to affected stakeholders.

The Group has not identified any instances of loss of income of the vulnerable families as a result of the steps it has taken to eliminate risks of forced labour or child labour, and remediation has therefore not been necessary.

TRAINING

The Group conducts compulsory training on forced labour and child labour for employees in key functions. It has a library of engaging, custom-built training courses, which are available to all employees as a resource and are further assigned based on role and location to maximize relevance and impact.

As part of a wider learning program, the Group developed a series of short videos (less than 2 minutes each) to help its employees, and those of its vendors and contractors, recognize human rights issues in the workplace. By educating them to spot problems in the office and manufacturing facilities, the Group empowers them to speak up and seek help for others.

ASSESSING EFFECTIVENESS

As outlined above, the Group actively monitors the risks of forced labour and child labour in its operations and supply chains through a range of measures, including, social audits and other verification schemes. The Group uses the outputs from such activities to assess its performance in mitigating forced labour and child labour risk. Further, the Group monitors complaints raised through its grievance mechanisms to identify trends and further strengthen its due diligence. The Group regularly engages with expert organizations and civil society stakeholders. In line with international standards, the Group continually assesses its human rights due diligence measures to identify areas where these measures might be further strengthened to be most effective.

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This report was approved pursuant to subparagraph 11(4)(b)(ii) of the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* by the Board of Directors of The Procter & Gamble Company and is a joint report of The Procter & Gamble Company, Procter & Gamble Inc., First Aid Beauty Limited, Tula Life Inc., Farmacy Beauty LLC, and United Beauty Brands LLC, for the financial year ending on June 30, 2024. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed within this report.

I have authority to bind The Procter & Gamble Company.

Jon R. Moeller
Chairman of Board,
President and Chief Executive Officer