Roundtable Business, Water and Wetlands in the Danube River Basin Bucharest – July 2012

Bea Buyle P&G Global Sustainabilty

Sustainable Water Management @ P&G

What, Why and (with) Who?



A. What is the P&G Water Approach?

1. Reducing water impact associated with the use of our products



2. Sustainable Water Management @ our sites



3. Water Stakeholder Engagement



B. HOW?

1. Water related to our Products



Environmental Safety Assessment

Water efficient product technologies

Consumer awareness campaigns (w. partners)

1. Water impact associated with the use of our Products

Products

Environmental Safety Assessment of ingredients:

- a. Aquatic Toxicity testing
 - Literature data/calculated structure data
 - Fish
 - Daphnia
 - Algae
- b. Biodegradability testing
 - Standard testing (OECD 2 P&G tests)
- c. Bioaccumulative potential
- d. Risk Assessment: comparing predicted environmental concentration (PEC) to the Predicted No-Effect Concentration (PNEC)

1. Water impact associated with the use of our Products



Water efficient product technologies (e.g. Downy Single Rinse)

Consumer awareness campaigns (w. partners)

- *Japan Water Forum (school program)
- *Spain Ariel campaign "Cada gota cuenta"
- *Science-in-the-Box website with reco on W use
- *Detergent industry: "Wash Right"

2. Operations water efficiency

Global PS Water Strategy:

Reduce the water impact of P&G's operations

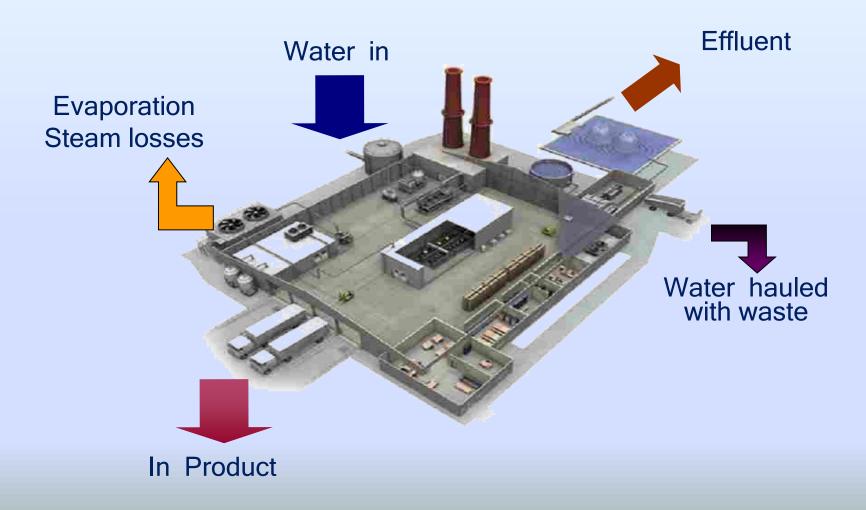
The Corporate PS WATER Goals:

2007-'12: Reduce water use by 20% per unit production

Water Goal was reached already in 2011



Knowing our Water Use



Deliver the 20 % Company Sustainability goal
 focus reduction projects in sites in water scarce areas
 breakthrough opportunities to reduce water usage beyond 2012.

BREAK – THROUGH TECHNOLOGY Cleaning & Sanitization

7 steps to move to 'zero waste water discharge' Waste water recycling

specification of water used in our formula's

Pinch approach

Sourcing strategies

Portfolio of break through technologies (beyond 2012)

BENCHMARK

+
REAPPLICATION

External benchmarking

Ideal State: cost x 1000 ?

Water map of TOP 40 sites

Define
Benchmark
Water
consumption
per product category

GAP versus benchmark

Portfolio of projects to reapply

BACK-TO-BASE

Watermapping:

Understand where water is used within a site

LEARN & REAPPLY

Monthly phone conf on 1 specific topic (e.g. water efficiency of RO unit). Company expert explains how to improve water efficiency. Sites shares examples and success)

'BACK-TO-BASE'

checklist

- Self assessment tool
- List of 'must-do' items
- Reapplication matrix

3. Working together for Water



In cooperation with GBS / SAmba network : raise employee awareness to water





Reporting, dialogue, partnerships, awards, ...

- Membership of WBCSD Water WG
- •WWF partnership incl. review of W strategy
- •SIWA founder SIWI review of W strategy

P&G - WWF - Global Partnership: Water Workstream

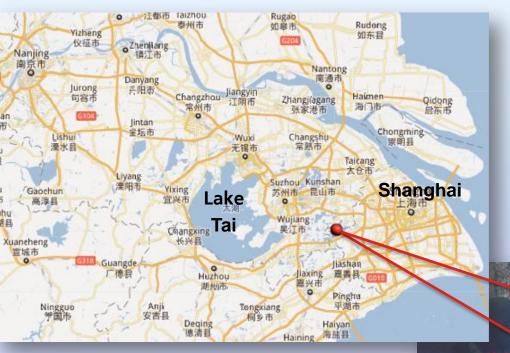
Input to Product Water Footprint:

Case study on Dish Washing Liquid

Operations Water Conservation & Water Risk Assessment

Water Stewardship: pilot projects

Year 1 Pilot Water Stewardship



- + Lake Tai Basin = first pilot
- + Restoration work start end '11
- + Pilot located near new Taicang plant

Led by WWF Shanghai

With support from:

- -WWF Washington
- -P&G Taicang HSE
- -P&G China
- -P&G Corporate Env. experts



Lake Tai Water Stewardship

Elements of Pilot Project:

- + Establish wetland landscape system
- + Introduce local aquatic plants, fish and benthos
- + Raise consumer awareness on water savings
- + Taicang plant water efficiency work



Lake Tai Water Stewardship

Taicang Plant sustainable water management features :



- Minimize need to do wash-out => less water used and less process effluent
- Maximal water reuse (includes reverse osmosis)
- Cooling tower, toilets and on-site irrigation use purified effluent
- Employee awareness raising incl. Lake Tai Basin stewardship project + reward and recognition system to drive accountability on water conservation.



PHASE I: BRIEF



Expert Conclusions Year 1 Lake Tai basin Water Stewardship

- Project has met it's objectives
- Positive progress made in Xiaofengyang basin
- Project duration too short to demonstrate substantial change

Reco: confirm/build further positive impact through:

- 1. long(er)-term monitoring on water quality and bio-diversity
- 2. Introduce plants/animals requiring good quality water : survival shows visually that progress has been made
- Investigate economic benefits beside environmental => model creating traction for reapplication in the lake Tai region.

P&G Observations on Year 1 Lake Tai basin Water Stewardship

Wetland restoration and conservation:

- + Nice progress
- P&G contribution was mainly through funding

P&G Volunteer support opportunities :

+ Earth Day activity with Taicang plant employees

Little opportunity for Consumer Communication

Focus should be relevant to P&G activities

- Year 1 focus ... mostly on organic farming ..

C. Why do we strive for sustainable water management?

- 1. It's WIN-WIN: if water is managed sustainably, it's good for
 - ✓ Our environment,
 - ✓ Our consumer
 - ✓ Our business
- 2. We want to be AND be seen as a sustainable company
- 3. Our stakeholders want sustainable water management:
 - ✓ At the minimum we meet all relevant legal requirements
 - ✓ Our employees want to be proud of their company
 - ✓ Environmentally conscious consumers want it
 - ✓ Our shareholders enquire about it



