

LRQA Independent Assurance Statement

Relating to P&G US Business Services Company for the Fiscal Year 2019 to 2020

This Assurance Statement has been prepared for Procter and Gamble US Business Services Company (P&G) in accordance with our contract.

Terms of Engagement

Lloyd's Register Quality Assurance (LRQA) was commissioned by Procter and Gamble US Business Services Company (P&G) to provide independent assurance on its 'assertion' ("the Report") for the fiscal year 2019-2020, covering the period of July 1, 2019 to June 30, 2019 against the assurance criteria below to a limited level of assurance using ISO 14064 - Part 3 for greenhouse gas (GHG) emissions.

Our assurance engagement covered P&G's global operations and activities under its operational control and specifically the following requirements:

- Verifying conformance with:
 - P&G's Greenhouse Gas Inventory Management Plan for Scope 1 and Scope 2 emissions,
 - P&G's Scope 3 methodology,
 - World Resources Institute / World Business Council for Sustainable Development Greenhouse Gas Protocol: A corporate accounting and reporting standard, revised edition (otherwise referred to as the WRI/WBCSD Protocol) for the GHG data¹, and
 - GHG Protocol Corporate Value Chain (Scope 3) Accounting and Reporting Standard.
- Reviewing whether the Report has taken account of/ been based on:
 - GHG Protocol Scope 2 Guidance
 - GHG Protocol Technical Guidance for Calculating Scope 3 Emissions
- Evaluating the accuracy and reliability of data and information for only the selected indicators listed below:
 - Direct (Scope 1), Energy Indirect (Scope 2) and Other Indirect (Scope 3 – business air travel)

The following GHG emissions were excluded from P&G's GHG Emissions Inventory on the basis of their de minimis contribution to the total direct and indirect GHG emissions:

- 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;
- emissions from refrigeration, heating, ventilation and air conditioning (HVAC) systems; and emissions from fire suppression equipment.
- other indirect emissions include only business air travel bookings with travel agencies managed by GBS Travel Service, namely CWT, Egencia and CTrip.

LRQA's responsibility is only to P&G. LRQA disclaims any liability or responsibility to others as explained in the end footnote. P&G's responsibility is for collecting, aggregating, analysing and presenting all the data and information within the Report and for maintaining effective internal controls over the systems from which the Report is derived. Ultimately, the Report has been approved by, and remains the responsibility of P&G.

¹ <http://www.ghgprotocol.org/>

LRQA's Opinion

Based on LRQA's approach nothing has come to our attention that would cause us to believe that P&G has not, in all material respects:

- Met the requirements of the criteria listed above; and
- Disclosed accurate and reliable performance data and information as summarized in Table 1 below.

The opinion expressed is formed on the basis of a limited level of assurance and at the materiality of the professional judgement of the verifier.

Table 1. Summary of P&G's Emissions (FY19-20):

| Scope of GHG emissions | Tonnes CO ₂ e |
|--|--------------------------|
| Scope 1 GHG emissions | 2,217,575 |
| Scope 1 - Biogenic GHG emissions | 50,349 |
| Scope 2 GHG emissions (Location-based) | 2,566,617 |
| Scope 2 GHG emissions (Market-based) | 401,780 |
| Scope 3 GHG emissions – Business air travel | 124,872 |
| Note 1: Scope 2, Location-based and Scope 2, Market-based are defined in the GHG Protocol Scope 2 Guidance, 2015 | |

LRQA's Approach

LRQA's assurance engagements are carried out in accordance with our verification procedure. The following tasks were undertaken as part of the evidence gathering process for this assurance engagement:

- interviewing relevant employees of the organization responsible for managing GHG emissions data and records;
- verifying historical GHG emissions data and records at an aggregated level for fiscal year 2019-2020; and
- assessing P&G's data management systems to confirm that there were no significant errors, omissions or mis-statements in the Report. We did this by reviewing the effectiveness of data handling procedures, instructions and systems, including those for internal verification.

LRQA's Standards, Competence and Independence

LRQA implements and maintains a comprehensive management system that meets accreditation requirements for ISO 14065 Greenhouse gases – Requirements for greenhouse gas validation and verification bodies for use in accreditation or other forms of recognition and ISO/IEC 17021 Conformity assessment – Requirements for bodies providing audit and certification of management systems that are at least as demanding as the requirements of the International Standard on Quality Control 1 and comply with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants.

LRQA ensures the selection of appropriately qualified individuals based on their qualifications, training and experience. The outcome of all verification and certification assessments is then internally reviewed by senior management to ensure that the approach applied is rigorous and transparent.

Signed

Dated: 29 October 2020



Lloyd's
Register

Marisol Bacong

Marisol Bacong
LRQA Lead Verifier
On behalf of Lloyd's Register Quality Assurance, Inc.,
1330 Enclave Parkway, Suite 200,
Houston, TX 77077
LRQA reference: UQA00000438

Lloyd's Register Group Limited, its affiliates and subsidiaries, including Lloyd's Register Quality Assurance Limited (LRQA), and their respective officers, employees or agents are, individually and collectively, referred to in this clause as 'Lloyd's Register'. Lloyd's Register assumes no responsibility and shall not be liable to any person for any loss, damage or expense caused by reliance on the information or advice in this document or howsoever provided, unless that person has signed a contract with the relevant Lloyd's Register entity for the provision of this information or advice and in that case any responsibility or liability is exclusively on the terms and conditions set out in that contract.

The English version of this Assurance Statement is the only valid version. Lloyd's Register Group Limited assumes no responsibility for versions translated into other languages.

This Assurance Statement is only valid when published with the Report to which it refers. It may only be reproduced in its entirety.

Copyright © Lloyd's Register Quality Assurance Limited, 2020. A member of the Lloyd's Register Group.