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# Section 1: S-8 (THE PROCTER & GAMBLE 2019 STOCK & INCENTIVE COMPENSATION PLAN)

Registration No. 333-\_\_\_\_\_

SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D. C. 20549

FORM S-8  
REGISTRATION STATEMENT  
UNDER  
THE SECURITIES ACT OF 1933

THE PROCTER & GAMBLE COMPANY  
(Exact name of registrant as specified in its charter)

Ohio

31-0411980

(State or other jurisdiction

(I.R.S. Employer

of incorporation or organization)

Identification No.)

One Procter & Gamble Plaza, Cincinnati, Ohio 45202  
(513) 983-1100

(Address, including zip code, and telephone  
number, including area code, of registrant's principal executive offices)

## The Procter & Gamble 2019 Stock and Incentive Compensation Plan

Deborah P. Majoras, Chief Legal Officer and Secretary  
The Procter & Gamble Company

One Procter & Gamble Plaza, Cincinnati, Ohio 45202  
(513) 983-1100

(Name, address, including zip code, and telephone number,  
including area code, of agent for service)

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or a smaller reporting company. See the definitions of "large accelerated filer," "accelerated filer" and "smaller reporting company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer

Accelerated filer

Non-accelerated filer

(Do not check if a smaller  
company)

Smaller reporting company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 7(a)(2)(B) of the Securities Act.

#### CALCULATION OF REGISTRATION FEE

Title of securities to be registered	Amount to be registered <sup>1</sup>	Proposed maximum offering price per unit <sup>2</sup>	Proposed maximum aggregate offering price	Amount of registration fee
Common Stock (without par value)	150,000,000	\$121.93	\$18,289,500,000	\$2,373,977.10

- (1) Pursuant to Rule 416 of the Securities Act of 1933 (the “Securities Act”), this registration statement also covers additional shares of Common Stock as may be issued to prevent dilution from stock splits, stock dividends, and similar transactions.
- (2) Estimated solely for the purpose of calculating the registration fee pursuant to paragraphs (c) and (h) of Rule 457 of the Securities Act on the basis of the average of the high and low prices of the Common Stock on the New York Stock Exchange on October 2, 2019 within five business days prior to filing.

### PART I

#### INFORMATION REQUIRED IN THE SECTION 10(A) PROSPECTUS

The documents containing the information specified in Part I of Form S-8 will be sent or given to employees as specified by Rule 428(b)(1) under the Securities Act. Such documents need not be filed with the Securities and Exchange Commission (the “Commission”) either as part of this Registration Statement or as prospectuses or prospectus supplements pursuant to Rule 424 under the Securities Act. These documents and the documents incorporated by reference in this Registration Statement pursuant to Item 3 of Part II of this form, taken together, constitute a prospectus that meets the requirements of Section 10(a) of the Securities Act.

### PART II

#### INFORMATION REQUIRED IN THE REGISTRATION STATEMENT

##### **Item 3. INCORPORATION OF DOCUMENTS BY REFERENCE**

The following documents filed by The Procter & Gamble Company (the “Registrant” or the “Company”) with the Commission pursuant to the Securities Exchange Act of 1934, as amended (the “Exchange Act”), are incorporated herein by reference:

1. The Registrant’s Annual Report on Form [10-K](#), filed August 6, 2019, for the fiscal year ended June 30, 2019 (which incorporates by reference portions of the Registrant’s definitive Proxy Statement dated August 23, 2019 for the Registrant’s Annual Meeting of Shareholders held on October 8, 2019 and portions of its Annual Report to Shareholders for the year ended June 30, 2019).
2. The Company’s Current Reports on Form 8-K filed on [July 9, 2019](#), [July 30, 2019](#), [July 30, 2019](#), [October 8, 2019](#), and [October 8, 2019](#).
3. All other documents filed by the Registrant pursuant to Sections 13(a), 13(c), 14 or 15(d) of the Exchange Act

subsequent to the date of this Registration Statement and prior to the filing of a post-effective amendment which indicates that all securities offered hereby have been sold or which deregisters all securities then remaining unsold shall be deemed to be a part hereof from the dates of filing of such reports and documents.

Any statement contained in a document incorporated or deemed to be incorporated by reference herein shall be deemed to be modified or superseded for purposes of the Registration Statement or any prospectus hereunder to the extent that a statement contained in any subsequent prospectus hereunder or in any document subsequently filed with the Commission which also is or is deemed to be incorporated by reference herein modifies or supersedes such statement. Any such statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of the Registration Statement or any prospectus hereunder.

#### **Item 4. DESCRIPTION OF SECURITIES**

The Company's Amended Articles of Incorporation authorize the issuance of 10,000,000,000 shares of Common Stock, 600,000,000 shares of Class A Preferred Stock and 200,000,000 shares of Class B Preferred Stock, all of which are without par value ("Common Stock," "Class A Preferred Stock," and "Class B Preferred Stock," respectively). There are no shares of Class B Preferred Stock currently outstanding.

The holders of Common Stock and Class A Preferred Stock are entitled to one vote per share on each matter submitted to a vote of shareholders. The holders of Class B Preferred Stock, if any, are not entitled to vote other than as provided by law. The Company's Board of Directors (the "Board") is not classified and each member is elected annually. The Company's Amended Articles of Incorporation provide for directors in uncontested director elections to be elected by a simple majority vote. Additionally, to the extent that Ohio law would otherwise impose a supermajority vote requirement on actions to be taken at meetings of the Company's shareholders, the Company's Amended Articles of Incorporation require only a vote of a majority of the Company's outstanding capital stock that is entitled to vote on such matters.

The holders of Class A Preferred Stock and, if issued, Class B Preferred Stock have the right to receive dividends prior to the payment of dividends on the Common Stock. The Board has the power to determine certain terms relative to any Class A Preferred Stock and Class B Preferred Stock to be issued, such as the power to establish different series and to set dividend rates, the dates of payment of dividends, the cumulative dividend rights and dates, redemption rights and prices, sinking fund requirements, restrictions on the issuance of such shares or any series thereof, liquidation price and conversion rights. Also, the Board may fix such other express terms as may be permitted or required by law. In the event of any liquidation or dissolution, the holders of the Common Stock are entitled to receive as a class, pro rata, the residue of the assets after payment of the liquidation price to the holders of Class A Preferred Stock and, if issued, Class B Preferred Stock.

The Board has determined the terms of shares of Class A Preferred Stock issued as Series A ESOP Convertible Class A Preferred Stock, which can only be held by a trustee or trustees of an employee stock ownership plan or other benefit plan of the Company. Upon transfer of Series A ESOP Convertible Class A Preferred Stock to any other person, such transferred shares shall be automatically converted into shares of Common Stock. Each share of Series A ESOP Convertible Class A Preferred Stock has a cumulative dividend of \$.5036075 per year and a liquidation price of \$6.82 per share (as adjusted for the stock splits on October 20, 1989, May 15, 1992, August 22, 1997 and May 21, 2004, and the Smucker transaction effective June 1, 2002), is redeemable by the Company or the holder without regard to any arrearage in the payment of dividends, is convertible at the option of the holder into one share of Common Stock and has certain anti-dilution protections associated with the conversion rights. Appropriate adjustments to dividends and liquidation price will be made to give effect to any future stock splits, stock dividends or similar changes to the Series A ESOP Convertible Class A Preferred Stock.

The Board has also determined the terms of shares of Class A Preferred Stock issued as Series B ESOP Convertible Class A Preferred Stock. Each share of Series B ESOP Convertible Class A Preferred Stock has a cumulative dividend of \$1.022 per year and a liquidation price of \$12.96 per share (as adjusted for the stock splits on August 22, 1997 and May 21, 2004, and the Smucker transaction effective June 1, 2002), is redeemable by the Company or the holder under certain circumstances, is convertible at the option of the holder into one share of Common Stock and has certain anti-dilution protections associated with the conversion rights. Appropriate adjustments to dividends and liquidation price will be made to give effect to any future stock splits, stock dividends or similar changes to the Series B ESOP Convertible Class A Preferred Stock.

All of the issued shares of Common Stock of the Company are fully paid and non-assessable. Common Stock does not

have any conversion rights and is not subject to any redemption provisions. No holder of shares of any class of the Company's capital stock has or will have any right, pre-emptive or other, to subscribe for or to purchase from the Company any of the shares of any class of the Company hereafter issued or sold. No shares of any class of the Company's capital stock are subject to any sinking fund provisions or to calls, assessments by, or liabilities of the Company.

**Item 5. INTERESTS OF NAMED EXPERTS AND COUNSEL**

The legality of the shares of Common Stock offered hereby is being passed upon for the Registrant by Giles Roblyer, Esq., Counsel, The Procter & Gamble Company, One Procter & Gamble Plaza, Cincinnati, Ohio, 45202. Mr. Roblyer is the owner of shares of Common Stock of the Registrant.

**Item 6. INDEMNIFICATION OF DIRECTORS AND OFFICERS**

Set forth below is a description of certain provisions of the Ohio Revised Code (“ORC”) and the Company’s Regulations, as such provisions relate to the indemnification of the directors and officers of the Registrant. This description is intended only as a summary and is qualified in its entirety by reference to the ORC and the Company’s Regulations.

Section 1701 of the ORC provides that a corporation must indemnify its directors, officers, employees, and agents against expenses reasonably incurred in connection with a successful defense (on the merits or otherwise) of any action, suit, or proceeding.

A corporation may indemnify its directors, officers, employees, and agents against expenses, including attorneys’ fees, judgments, fines and amounts paid in settlement, in connection with actions, suits, or proceedings (except for derivative actions by or in the right of the corporation), whether civil, criminal, administrative, or investigative. The corporation may indemnify such persons if the individual has acted in good faith and in a manner that the individual believed to be in the best interests of the corporation and, with respect to a criminal action, had no reasonable cause to believe their conduct was unlawful. The determination as to whether this standard of conduct has been met must be made by the court, a majority of the disinterested directors, by independent legal counsel, or by the shareholders.

A similar standard applies in the case of derivative actions, except that indemnification may only extend to expenses, including attorney’s fees, incurred in connection with the defense or settlement of such action. If the person seeking indemnification has been found liable to the corporation in such an action, the court must approve the indemnification.

As permitted by the ORC, Article V of the Company’s Regulations require the Company to indemnify, to the fullest extent permitted by law, any person who was or is a party or is threatened to be made a party to any threatened, pending, or completed claim, action, suit, or proceeding, whether civil, criminal administrative, or investigative, by reason of the fact that he or she (a) is or was a Director, officer or employee of the Company, (b) is or was serving at the request of the Company or its subsidiaries as a director, trustee, officer, partner, managing member or position of similar capacity, or employee of a Company subsidiary or another corporation, limited liability company, partnership, joint venture, trust, employee benefit plan, or other enterprise (whether domestic or foreign, nonprofit or for profit), or (c) is or was providing to third party organizations volunteer services that were duly authorized in accordance with the Company’s process for approval of such activities, against all liabilities and expenses actually and reasonable incurred by or imposed on him or her in connection with, or arising out of, any such claim, action, suit or proceeding. This indemnity will be provided unless the person (a) failed to act in good faith, in a manner he or she reasonable believed to be in, or not opposed to, the best interests of the Company and its subsidiaries, (b) acted or failed to act, in either case, with deliberate intent to cause injury to the Company and its subsidiaries or with reckless disregard for the best interests of the Company or its subsidiaries, or (c) knowingly engaged in criminal activity.

The Company’s Directors, officers and certain other key employees of the Company are insured by directors and officers liability insurance policies. The Company pays the premiums for this insurance.

**Item 7. EXEMPTION FROM REGISTRATION CLAIMED**

Not applicable.

**Item 8. EXHIBITS**

<u>EXHIBIT NO.</u>	<u>DESCRIPTION</u>
5	Opinion of Counsel
10	The Procter & Gamble 2019 Stock and Incentive Compensation Plan ("Plan")
23-1	Consent of Deloitte & Touche LLP
23-2	Consent of Giles Roblyer, Esq., is contained in his opinion filed as Exhibit 5
24	Power of Attorney

**Item 9. UNDERTAKINGS**

(a) The undersigned registrant hereby undertakes:

(1) To file, during any period in which offers or sales are being made, a post-effective amendment to this registration statement:

(i) To include any prospectus required by section 10(a)(3) of the Securities Act of 1933;

(ii) To reflect in the prospectus any facts or events arising after the effective date of the registration statement (or the most recent post-effective amendment thereof) which, individually or in the aggregate, represent a fundamental change in the information set forth in the registration statement. Notwithstanding the foregoing, any increase or decrease in volume of securities offered (if the total dollar value of securities offered would not exceed that which was registered) and any deviation from the low or high end of the estimated maximum offering range may be reflected in the form of prospectus filed with the Commission pursuant to Rule 424(b) if, in the aggregate, the changes in volume and price represent no more than a 20% change in the maximum aggregate offering price set forth in the "Calculation of Registration Fee" table in the effective registration statement;

(iii) To include any material information with respect to the plan of distribution not previously disclosed in the registration statement or any material change to such information in the registration statement; provided, however, that paragraphs (a)(1)(i) and (a)(1)(ii) do not apply if the information required to be included in a post-effective amendment by those paragraphs is contained in reports filed with or furnished to the Commission by the registrant pursuant to section 13 or section 15(d) of the Securities Exchange Act of 1934 that are incorporated by reference in the registration statement.

(2) That, for the purpose of determining any liability under the Securities Act of 1933, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof;

(3) To remove from registration by means of a post-effective amendment any of the securities being registered which remain unsold at the termination of the offering;

(b) The undersigned registrant hereby undertakes that, for purposes of determining any liability under the Securities Act of 1933, each filing of the registrant's annual report pursuant to section 13(a) or section 15(d) of the Securities Exchange Act of 1934 (and, where applicable, each filing of an employee benefit plan's annual report pursuant to Section 15(d) of the Securities Exchange Act of 1934) that is incorporated by reference in the registration statement shall be deemed to be a new registration

statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(c) Insofar as indemnification for liabilities arising under the Securities Act of 1933 may be permitted to directors, officers and controlling persons of the registrant pursuant to the foregoing provisions, or otherwise, the registrant has been advised that in the opinion of the Securities and Exchange Commission such indemnification is against public policy as expressed in the Securities Act of 1933 and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the registrant of expenses incurred or paid by a director, officer or controlling person of the registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act of 1933 and will be governed by the final adjudication of such issue.

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Terry J. Lundgren

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Director

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Christine M. McCarthy

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Director

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W. James McNerney, Jr.

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Director

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Nelson Peltz

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Director

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Margaret C. Whitman

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Director

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Patricia A. Woertz

By: /s/ Deborah P. Majoras \_\_\_\_\_

\* Deborah P. Majoras as Attorney-in-Fact

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## EXHIBIT INDEX

<u>EXHIBIT NO.</u>	<u>DESCRIPTION</u>
<u>5</u>	<u>Opinion of Counsel</u>
<u>10</u>	<u>The Procter &amp; Gamble 2019 Stock and Incentive Compensation Plan</u>
<u>23-1</u>	<u>Consent of Deloitte &amp; Touche LLP</u>
<u>23-2</u>	<u>Consent of Giles Roblyer, Esq., is contained in his opinion filed as Exhibit 5</u>
<u>24</u>	<u>Power of Attorney</u>

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## **Section 2: EX-5 (OPINION OF P&G COUNSEL)**

### **Exhibit 5**

OPINION OF GILES ROBLYER, ESQ.  
The Procter & Gamble Company  
Legal Division  
1 Procter & Gamble Plaza, Cincinnati, Ohio 45202-3315

October 8, 2019  
The Procter & Gamble Company  
One Procter & Gamble Plaza  
Cincinnati, Ohio 45202

Gentlemen/Mesdames:

This opinion is rendered for use in connection with the Registration Statement on Form S-8, registering 150,000,000 shares of the Company's Common Stock, without par value (the "Shares"), to be offered under The Procter & Gamble 2019 Stock and Incentive Compensation Plan (the "Registered Plan").

As Counsel for the Company, I have examined and I am familiar with originals or copies, certified or otherwise, identified to my satisfaction, of such statutes, documents, corporate records, certificates of public officials and other instruments as I have deemed necessary for the purpose of this opinion including the Amended Articles of Incorporation, Regulations and By-Laws of the Company, the Registered Plans, the records of proceedings of the shareholders and directors of the Company and such other instruments which I consider pertinent.

Upon the basis of the foregoing, I am of the opinion that the Shares have been duly authorized and, when issued, delivered, and paid for in accordance the Registered Plan and, after the filing of this Registration Statement with the Securities and Exchange Commission, the Shares will be validly and legally issued and will be fully paid and

non-assessable.

I am a member of the Bar of the State of Ohio. I express no opinion as to the laws of any jurisdiction other than the laws of the State of Ohio.

I hereby consent to the filing of this opinion as Exhibit (5) to the Registration Statement and to the reference to my name in the Registration Statement, without admitting that I am an “expert” within the meaning of the Securities Act or the rules and regulations of the Commission issued thereunder with respect to any part of the Registration Statement, including this exhibit.

Very truly yours,

/s/ Giles Roblyer

Giles Roblyer

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## **Section 3: EX-10 (THE PROCTER & GAMBLE 2019 STOCK AND INCENTIVE COMPENSATION PLAN)**

### **The Procter & Gamble 2019 Stock and Incentive Compensation Plan**

#### **ARTICLE 1 ESTABLISHMENT, PURPOSE AND DURATION**

**1.1 Establishment.** The Procter & Gamble Company, an Ohio corporation (the “Company”), hereby establishes an incentive compensation plan to be known as The Procter & Gamble 2019 Stock and Incentive Compensation Plan (the “Plan”), as set forth in this document. This Plan permits the grant of Nonqualified Stock Options, Incentive Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Stock Units, Cash-Based Awards and Other Stock-Based Awards. This Plan shall become effective upon shareholder approval (the “Effective Date”) and shall remain in effect as provided in Section 1.3.

**1.2 Purpose of this Plan.** The purposes of the Plan are to strengthen the alignment of interests between those Employees of the Company and its Subsidiaries who are largely responsible for the success of the business as well as Non-employee Directors and the Company’s shareholders through ownership behavior and the increased ownership of shares of the Company’s common stock, and to encourage Plan Participants to remain in the employ of the Company and its Subsidiaries.

**1.3 Duration of this Plan.** Unless sooner terminated as provided herein, this Plan shall terminate ten (10) years from the Effective Date. After this Plan is terminated, no Awards may be granted but Awards previously granted shall remain outstanding in accordance with their applicable terms and conditions and this Plan’s terms and conditions.

#### **ARTICLE 2 DEFINITIONS**

Whenever used in this Plan, the following capitalized terms shall have the meanings set forth below.

“**Annual Award Limits**” have the meaning set forth in Section 4.4.

“**Award**” means, individually or collectively, a grant under this Plan of Nonqualified Stock Options, Incentive Stock Options, Stock Appreciation Rights, Restricted Stock, Restricted Stock Units, Performance Stock Units, Cash-Based Awards or Other Stock-Based Awards, in each case subject to the terms of this Plan.

“**Award Agreement**” means either (i) a written or electronic agreement entered into by the Company and a Participant setting forth the terms and provisions applicable to an Award granted under this Plan, including any amendment or modification thereof, or (ii) a written or electronic statement issued by the Company to a Participant describing the terms and provisions of such Award, including any amendment or modification thereof. The Committee shall have the exclusive authority to determine the terms of an Award Agreement evidencing an

Award granted under this Plan, subject to the provisions herein. The terms of an Award Agreement need not be uniform among all Participants or among similar types of Awards.

“**Board**” means the Board of Directors of the Company.

“**Cash-Based Award**” means an Award, denominated in cash, granted to a Participant as described in Article 12.

“**Cause**” for purposes of this Plan only means, unless otherwise specified in an Award Agreement, any one of the following:

- (a) Participant’s conviction of or plea of guilty or *nolo contendere*, or no contest, to a felony;
- (b) Participant’s willful misconduct;
- (c) Participant’s violation of a material written Company policy; or
- (d) Participant’s willful and continued failure or refusal to substantially perform essential job functions.

“**Change in Control**” means the occurrence of one or more of the following events:

- (a) The acquisition by any Person of beneficial ownership (within the meaning of Rule 13d-3 under the Exchange Act) of more than 20% of either (A) the then-outstanding Shares (“Outstanding Company Common Stock”) or (B) the combined voting power of the then-outstanding voting securities of the Company entitled to vote generally in the election of directors (the “Outstanding Company Voting Securities”); provided, however, that, for purposes of this Section 2.8(a) the following acquisitions shall not constitute a Change in Control:
  - (i) any acquisition by the Company,
  - (ii) any acquisition by any employee benefit plan (or related trust) sponsored or maintained by the Company,
  - (iii) any acquisition by any entity controlled by the Company, or
  - (iv) any acquisition by any entity pursuant to a transaction that complies with Sections 2.8(c)(i), (ii) and (iii).
- (b) Individuals who, as of the Effective Date, constitute the Board (the “Incumbent Board”) cease for any reason to constitute at least a majority of the Board; provided, however, that any individual becoming a Director subsequent to the Effective Date whose election, or nomination for election by the Company’s shareholders, was approved by a vote of at least a majority of the Directors then comprising the Incumbent Board shall be considered as though such individual was a member of the Incumbent Board, but excluding, for this purpose, any such individual whose initial assumption of office occurs as a result of an actual or threatened election contest with respect to the election or removal of Directors or other actual or threatened solicitation of proxies or consents by or on behalf of a Person other than the Board.

- (c) Consummation of a reorganization, merger, statutory share exchange or consolidation or similar corporate transaction involving the Company and/or any entity controlled by the Company, or a sale or other disposition of all or substantially all of the assets of the Company, or the acquisition of assets or stock of another entity by the Company or any entity controlled by the Company (each, a “Business Combination”), in each case, provided, however, that, for purposes of this Section 2.8(c) a Business Combination shall not constitute a Change in Control if following such Business Combination:
- (i) all or substantially all of the individuals and entities that were the beneficial owners (within the meaning of Rule 13d-3 under the Exchange Act) of the Outstanding Company Common Stock and Outstanding Company Voting Securities immediately prior to such Business Combination beneficially own, directly or indirectly, more than 50% of the then-outstanding shares of common stock and the combined voting power of the then-outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the corporation resulting from such Business Combination (including, without limitation, an entity that, as a result of such transaction, owns the Company or all or substantially all of the Company’s assets either directly or through one or more subsidiaries) in substantially the same proportions as their ownership, immediately prior to such Business Combination of the Outstanding Company Common Stock and Outstanding Company Voting Securities, as the case may be; and
  - (ii) no Person (excluding any entity resulting from such Business Combination or any employee benefit plan (or related trust) of the Company or such entity resulting from such Business Combination) beneficially owns, directly or indirectly, 20% or more of, respectively, the then-outstanding shares of common stock of the corporation resulting from such Business Combination or the combined voting power of the then-outstanding voting securities of such corporation, except to the extent that such ownership existed prior to the Business Combination; and
  - (iii) at least a majority of the members of the board of directors of the entity resulting from such Business Combination were members of the Incumbent Board at the time of the execution of the initial agreement, or of the action of the Board, providing for such Business Combination.
- (d) Approval by the shareholders of the Company of a complete liquidation or dissolution of the Company.

“**Code**” means the U.S. Internal Revenue Code of 1986, as amended from time to time. For purposes of this Plan, references to sections of the Code shall be deemed to include any applicable regulations thereunder and any successor or similar provision.

“**Commission**” means the Securities and Exchange Commission.

“**Committee**” means the Compensation & Leadership Development Committee of the Board or a subcommittee thereof or any other committee designated by the Board to administer this Plan. The members of the Committee shall be appointed from time to time by and shall serve at the discretion of the Board. If the Committee does not exist or cannot function for any reason, the Board may take any action under the Plan that would otherwise be the responsibility of the Committee. The Committee shall be constituted to comply with the requirements of Rule 16b-3 promulgated by the Commission under the Exchange Act, or such rule or any successor rule thereto which is in effect from time to time, and any applicable listing or governance requirements

of any securities exchange on which the Company's common shares are listed.

**"Company"** means The Procter & Gamble Company and any successor thereto as provided in Section 21.19.

**"Director"** means any individual who is a member of the Board of Directors of the Company.

**"Dividend Equivalent"** has the meaning set forth in Article 14.

**"Effective Date"** has the meaning set forth in Section 1.1.

**"Employee"** means any individual performing services for the Company or a Subsidiary and designated as an employee of the Company or the Subsidiary on its payroll records. An Employee shall not include any individual during any period he or she is classified or treated by the Company or Subsidiary as an independent contractor, a consultant or an employee of an employment, consulting or temporary agency or any other entity other than the Company or Subsidiary, without regard to whether such individual is subsequently determined to have been, or is subsequently retroactively reclassified, as a common-law employee of the Company or Subsidiary during such period. An individual shall not cease to be an Employee in the case of (i) any leave of absence approved by the Company or (ii) transfers between locations of the Company, between the Company and any Subsidiaries, or between Subsidiaries. For purposes of Incentive Stock Options, no such leave may exceed 90 days, unless reemployment upon expiration of such leave is guaranteed by statute or contract. If reemployment upon expiration of a leave of absence approved by the Company is not so guaranteed, then three months following the 91st day of such leave, any Incentive Stock Option held by a Participant shall cease to be treated as an Incentive Stock Option and shall be treated for tax purposes as a Nonqualified Stock Option. Neither service as a Director nor payment of a Director's fee by the Company shall be sufficient to constitute "employment" by the Company.

**"Exchange Act"** means the Securities Exchange Act of 1934, as amended from time to time, or any successor act thereto and the rules and regulations promulgated thereto.

**"Fair Market Value"** means, as applied to a specific date, the price of a Share that is based on the opening, closing, actual, high, low or average selling prices of a Share reported on any established stock exchange or national market system including without limitation the New York Stock Exchange and the National Market System of the National Association of Securities Dealers, Inc. Automated Quotation System on the applicable date, the preceding trading day, the next succeeding trading day, or an average of trading days, as determined by the Committee in its discretion. Unless the Committee determines otherwise or unless otherwise specified in an Award Agreement, Fair Market Value shall be deemed to be equal to the closing price of a Share on the most recent date on which Shares were publicly traded.

**"Good Reason"** means the occurrence, during the two-year period commencing on the date of a Change in Control, of any of the following without a Participant's written consent, in each case, when compared to the arrangements in effect immediately prior to the Change in Control:

- (a) a material reduction in the Participant's total compensation (defined as the sum of base salary, target annual bonus, and target long-term incentive award);
- (b) a material diminution in the Participant's duties, responsibilities or authority;  
or
- (c) a relocation of more than 50 miles from the Participant's principal office location.

**"Grant Date"** means the date an Award is granted to a Participant pursuant to the Plan.

**"Grant Price"** means the price established at the time of grant of an SAR pursuant to Article 8.

**“Incentive Stock Option” or “ISO”** means an Option granted pursuant to Article 7 that is designated as an Incentive Stock Option and that is intended to meet the requirements of Code Section 422 or any successor provision.

**“Non-employee Director”** means a Director who is not an Employee.

**“Nonqualified Stock Option”** means an Award granted pursuant to Article 7 that is not intended to meet the requirements of Code Section 422, or that otherwise does not meet such requirements.

**“Option”** means an Award granted pursuant to Article 7, which Award may be an Incentive Stock Option or a Nonqualified Stock Option.

**“Option Price”** means the price at which a Share may be purchased by a Participant pursuant to an Option.

**“Other Stock-Based Award”** means an equity-based or equity-related Award not otherwise described by the terms of this Plan that is granted pursuant to Article 12.

**“Participant”** means any eligible individual as set forth in Article 5 to whom an Award is granted.

**“Performance Stock Unit”** means an Award granted pursuant to Article 11.

**“Period of Restriction”** means the period when Restricted Stock or Restricted Stock Units are subject to a substantial risk of forfeiture (based on the passage of time, the achievement of performance goals or upon the occurrence of other events as determined by the Committee, in its discretion) as provided in Articles 9 and 10.

**“Person”** shall have the meaning ascribed to such term in Section 3(a) (9) of the Exchange Act and used in Sections 13(d) and 14(d) thereof, including a “group” as defined in Section 13(d) thereof.

**“Plan”** means The Procter & Gamble Company 2019 Stock and Incentive Compensation Plan, as the same may be amended from time to time.

**“Prior Plans”** means The Procter & Gamble 2014 Stock and Incentive Compensation Plan, The Procter & Gamble 2009 Stock and Incentive Compensation Plan, and The 2003 Non-Employee Directors’ Stock Plan.

**“Restricted Stock”** means an Award granted pursuant to Article 9.

**“Restricted Stock Unit” or “RSU”** means an Award granted pursuant to Article 10.

**“Retirement”** means retirement in accordance with the provisions of any applicable retirement plan of the Company or any of its Subsidiaries as determined in the sole discretion of the Committee or its delegate. If, in the judgement of the Committee or its delegate, the meaning of Retirement under any applicable retirement plan is not determinable, then the meaning of Retirement shall be determined in the sole discretion of the Committee or its delegate.

**“Share”** means a share of common stock of the Company.

**“Stock Appreciation Right” or “SAR”** means an Award granted pursuant to Article 8.

**“Subsidiary”** means any corporation or other entity, whether domestic or foreign, in which the Company has or obtains, directly or indirectly, an interest of more than 50% by reason of stock ownership or otherwise. In addition, the Board may designate for participation in the Plan as a “Subsidiary” those additional companies affiliated with the Company in which the Company’s direct or indirect interest is less than 50%, provided, however, that such designation shall not be permitted for the granting of Incentive Stock Options and such designation shall not include a company with respect to which the Company is not an “eligible issuer of service recipient stock” within the meaning of the regulations under Code Section 409A.

**“Termination of Employment”** means the termination of the Participant’s employment with the Company and the Subsidiaries, regardless of the reason for the termination of employment. With respect to any Award that

is subject to Code Section 409A, Termination of Employment shall mean a “separation from service” as defined in Code Section 409A.

“**Termination of Directorship**” means the time when a Non-employee Director ceases to be a Non-employee Director for any reason, including, but not by way of limitation, a termination by resignation, failure to be elected, death or retirement. With respect to any Award that is subject to Code Section 409A, Termination of Directorship shall mean a “separation from service” as defined in Code Section 409A.

### **ARTICLE 3                    ADMINISTRATION**

**3.1            General.** The Committee shall be responsible for administering this Plan, subject to this Article 3 and the other provisions of this Plan. The Committee may employ attorneys, consultants, accountants, agents and other individuals, any of whom may be an Employee, and the Committee, the Company, and its officers and Directors shall be entitled to rely upon the advice, opinions or valuations of any such individuals. The Committee may also establish regulations, provisions, and procedures within the terms of the Plan, as may, in its sole discretion, be advisable for the administration and operation of the Plan. All actions taken and all interpretations and determinations made by the Committee shall be final and binding upon the Participants, the Company or Subsidiary, and all other interested individuals.

**3.2            Authority of the Committee.** Subject to any express limitations set forth in the Plan, the Committee shall have full and exclusive discretionary power and authority to take such actions as it deems necessary and advisable with respect to the administration of the Plan including, but not limited to, the following:

- (a)            To determine from time to time which of the persons eligible under the Plan shall be granted Awards, when and how each Award shall be granted, what type or combination of types of Awards shall be granted, the provisions of each Award granted (which need not be identical), including the time or times when a person shall be permitted to receive Shares pursuant to an Award and the number of Shares subject to an Award;
- (b)            To construe and interpret the Plan and Awards granted under it, and to establish, amend, and revoke rules and regulations for its administration. The Committee, in the exercise of this power, may correct any defect, omission or inconsistency in the Plan or in an Award Agreement, in a manner and to the extent it shall deem necessary or expedient to make the Plan fully effective;
- (c)            To approve forms of Award Agreements for use under the Plan;
- (d)            To determine Fair Market Value of a Share in accordance with the definition of “Fair Market Value” in Article 2 of the Plan;
- (e)            To amend the Plan or any Award Agreement as provided in the Plan;
- (f)            To adopt sub-plans and/or special provisions applicable to Awards regulated by the laws of a jurisdiction other than the United States. Such sub-plans and/or special provisions may take precedence over other provisions of the Plan, but unless otherwise superseded by the terms of such sub-plans and/or special provisions, the provisions of the Plan shall govern;
- (g)            To authorize any person to execute on behalf of the Company any instrument required to effect the grant of an Award previously granted by the Board;
- (h)            To determine whether Awards will be settled in Shares, cash or in any combination thereof;

- (i) To determine whether Awards will provide for Dividend Equivalents;
- (j) To establish a program whereby Participants designated by the Committee may reduce compensation otherwise payable in cash in exchange for Awards under the Plan;
- (k) To impose such restrictions, conditions or limitations as it determines appropriate as to the timing and manner of any sales or other subsequent transfers of any Shares by a Participant, including, without limitation, restrictions under an insider trading policy and restrictions as to the use of a specified brokerage firm for such resales or other transfers;
- (l) To authorize the Company to charge a reasonable administrative fee for the exercise of any Option; and
- (m) To waive the requirements of Article 6 at the time an Award is granted.

**3.3 Delegation.** To the extent permitted by law, the Committee may delegate to the Secretary of the Company or other employees of the Company the duties or powers it may deem advisable to assist the Committee in the administration and operation of the Plan and may grant authority to such persons to execute documents on behalf of the Committee. To the extent permitted by applicable law, the Committee may, by resolution, authorize one or more officers of the Company to do one or both of the following on the same basis as can the Committee: (a) designate Employees to be recipients of Awards; and (b) determine the size of any such Awards; provided, however, (i) the Committee shall not delegate such responsibilities to any such officer for Awards granted to an Employee who is considered an officer (as defined in Rule 16a-1(f)) of the Exchange Act; (ii) the resolution providing such authorization sets forth the total number of Awards such officer(s) may grant; and (iii) the officer(s) shall report periodically to the Committee regarding the nature and scope of the Awards granted pursuant to the authority delegated.

## **ARTICLE 4 SHARES SUBJECT TO THIS PLAN AND MAXIMUM AWARDS**

**4.1 Number of Shares Authorized and Available for Awards.** Subject to adjustment as provided under the Plan, the total number of Shares that are available for Awards under this Plan shall be 150,000,000 Shares plus any Shares that are available for Awards under The Procter & Gamble 2014 Stock and Incentive Compensation Plan as of the Effective Date. No further Awards may be granted under the Prior Plans as of the Effective Date.

**4.2 Share Usage.** The Committee shall determine the method for calculating the number of Shares available for grant under the Plan, subject to the following:

- (a) all Options and Stock Appreciation Rights shall be counted against Shares available on a one for one basis;
- (b) all full value Awards to be settled in Shares shall be counted as 5 Shares for each Share awarded;
- (c) except as provided in clause (d), any Shares that are related to an Award granted under this Plan or Prior Plans that terminates by expiration, forfeiture, cancellation or otherwise without the issuance of the Shares, are settled in cash in lieu of Shares, or is exchanged with the Committee's permission, prior to the issuance of Shares, for an

Award not involving Shares shall be available again for grant under this Plan;

- (d) any Award Shares tendered, exchanged or withheld to cover Option exercise costs, any Award Shares withheld to cover taxes, and all Shares underlying an Award of Stock Appreciation Rights once such Stock Appreciation Rights are exercised, shall be taken into account as Shares issued under this Plan; and
- (e) any Award Shares granted by the Company in assumption of, or in substitution or exchange for, awards previously granted by a company acquired by the Company or a Subsidiary, or with which the Company or a Subsidiary combines, shall not reduce the maximum aggregate number of Shares available for issuance under the Plan (to the extent permitted under applicable stock exchange rules), and available shares of stock under a shareholder-approved stock compensation plan of any such acquired company or company with which the Company or a Subsidiary combines (as adjusted to reflect the transaction) may be used for Awards under the Plan and shall not reduce the number of Shares available under the Plan (to the extent permitted by applicable stock exchange rules).

**4.3 Shares Subject to Use Under the Plan.** The source of the Shares to be delivered by the Company upon exercise or payment of any Award shall be determined by the Committee and may consist, in whole or in part, of authorized but unissued Shares, treasury Shares, or Shares acquired in the open market. In the case of redemption of SARs by one of the Company's Subsidiaries, such Shares shall be Shares acquired by that Subsidiary.

**4.4 Annual Award Limits.** Awards under the Plan shall be subject to the following Annual Award Limits, subject to any adjustment under Section 4.5. The maximum number of Shares with respect to which Options or other Awards may be granted to any Non-employee Director in any calendar year shall not exceed 10,000. The maximum number of Shares with respect to which Options or SARs may be granted to any Employee who is a Participant in any calendar year shall be 2,000,000 Shares. For any Awards other than Options or SARs and that are denominated in Shares, the maximum aggregate number of Shares that may be delivered pursuant to such Awards granted in any calendar year shall be 400,000 Shares for any Employee who is a Participant. For any Awards that are denominated in cash, the maximum aggregate amount of cash that may be paid with respect to all such Awards granted in any calendar year shall be \$20,000,000 for any Employee who is a Participant.

**4.5 Adjustments in Authorized Shares.** Adjustments in authorized Shares available for issuance under the Plan or under an outstanding Award and adjustments in Annual Award Limits shall be subject to the following provisions:

- (a) In the event of any corporate event or transaction such as a merger, consolidation, reorganization, recapitalization, separation, partial or complete liquidation, stock dividend, stock split, reverse stock split, split up, spin-off, distribution of stock or property of the Company, combination of Shares, exchange of Shares, dividend in kind, extraordinary cash dividend or any other similar corporate event or transaction ("Corporate Transaction"), the Committee, in order to prevent dilution or enlargement of Participants' rights under this Plan, shall substitute or adjust, as applicable, (i) the number and kind of Shares that may be issued under this Plan or under particular forms of Awards, (ii) the number and kind of Shares subject to outstanding Awards, (iii) the Option Price or Grant Price applicable to outstanding Awards, and (iv) the Annual Award Limits and other value determinations applicable to outstanding Awards. The Committee, in its discretion, shall determine the methodology or manner of making such substitution or adjustment.
- (b) In addition to the adjustments permitted under paragraph (a) above, the Committee, in its sole discretion, may make such other adjustments or modifications in the terms of any Awards that it deems appropriate to reflect any Corporate Transaction,

including, but not limited to, modifications of performance goals and changes in the length of performance periods, provided that no such adjustment or modification shall have the effect of materially and adversely reducing Participant's rights and opportunities with respect to outstanding Awards.

- (c) The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under this Plan.

## **ARTICLE 5 ELIGIBILITY AND PARTICIPATION**

**5.1 Eligibility to Receive Awards.** Individuals eligible to participate in this Plan include all Employees and Non-employee Directors.

**5.2 Participation in the Plan.** Subject to the provisions of this Plan, the Committee may, from time to time, select from all individuals eligible to participate in the Plan:

- (a) Non-employee Directors, and
- (b) those Employees who, in the opinion of the Committee, have demonstrated a capacity for contributing in a substantial manner to the success of the Company and its Subsidiaries,

to whom Awards shall be granted and shall determine, in its sole discretion, the nature of any and all terms permissible by law and the amount of each Award.

## **ARTICLE 6 RESTRICTIONS AND COVENANTS**

**6.1 Participant Obligations.** In addition to such other conditions as may be established by the Committee, in consideration of the granting of an Award under the terms of the Plan, each Employee who is a Participant agrees as follows. Notwithstanding the foregoing, at any time during which a Participant resides in California, (i) Sections 6.1(a), (b), and (c) shall not apply to such Participant, and (ii) Section 6.1(d) shall not apply to such Participant to the extent that it would impose restrictions similar to Sections 6.1(b) and (c) following the Participant's Termination of Employment. Also, notwithstanding the foregoing, at any time during which a Participant resides in Massachusetts, Section 6.1(b) shall apply, but shall be limited to a period of one (1) year following the date of the Participant's Termination of Employment.

- (a) The right to exercise any Option or Stock Appreciation Right shall be conditional upon certification by the Participant at time of exercise whether the Participant either intends to remain in the employ of the Company or one of its Subsidiaries for at least one (1) year following the date of exercise of the Option or SAR or intends to leave the Company or one of its Subsidiaries within one (1) year following the date of exercise of the Option or SAR, but has no intention to engage in any activity that would violate the non-compete provisions of Article 6.
- (b) To better protect the goodwill of the Company and its affiliates and Subsidiaries and to prevent the disclosure of the Company's or its affiliates' or Subsidiaries' confidential and proprietary trade secret information and thereby help ensure the long-term success of the business, the Participant, without prior written consent of the Chief Human Resources Officer and Chief Legal Officer of the Company, will not engage in any activity or provide any services, whether as a director, owner (other than as a passive investor holding less than 5% of an enterprise), manager, supervisor, employee, adviser, consultant or otherwise, for a period of two (2) years following the date of the Participant's Termination of Employment, in connection with the manufacture, development, advertising, promotion, or sale of any product which is the same as or similar to or competitive with any products of the Company or its affiliates or Subsidiaries

(including both existing products as well as products known to the Participant, as a consequence of the Participant's employment with the Company or one of its affiliates or Subsidiaries, to be in development) in any jurisdiction throughout the world, it being acknowledged that the Company's business activities are global in nature:

- (i) with respect to which the Participant's work has been directly concerned at any time during the two (2) years preceding Termination of Employment, or
- (ii) with respect to which the Participant, as a consequence of the Participant's job performance and duties, acquired knowledge of confidential and proprietary trade secret information of the Company or its affiliates or Subsidiaries.

For purposes of this Section 6.1(b), it shall be conclusively presumed that Participants have knowledge of information they were directly exposed to through actual receipt or review of memos or documents containing such information, or through actual attendance at meetings at which such information was discussed or disclosed.

- (c) To better protect the Company's investment in its employees and to ensure the long-term success of the business, the Participant, without prior written consent of the Company, will not attempt, directly or indirectly, to induce any employee of the Company or its affiliates or Subsidiaries to be employed or perform services elsewhere or attempt directly or indirectly to solicit the trade or business of any customer or partner of the Company or its affiliates or Subsidiaries for a period of five (5) years following the date of the Participant's Termination of Employment.
- (d) Subject to the provisions of Section 6.1(h), because a main purpose of the Plan is to strengthen the alignment of interests between employees of the Company (including all affiliates and Subsidiaries) and its shareholders to ensure the continued success of the Company, the Participant will not take any action that is significantly contrary to the best interests of the Company or its affiliates or Subsidiaries. For purposes of this Section 6.1(d), an action taken "significantly contrary to the best interests of the Company or its affiliates or Subsidiaries" includes without limitation any action taken or threatened by the Participant that the Committee determines has, or is reasonably likely to have, a significant adverse impact on the reputation, goodwill, stability, operation, personnel retention and management, or business of the Company or any affiliate or Subsidiary.
- (e) Subject to the provisions of Section 6.1(h), the provisions of this Article 6 are not in lieu of, but are in addition to, the continuing obligation of the Participant (which the Participant acknowledges by accepting any Award under the Plan) to not use or disclose the Company's or its affiliates' or Subsidiaries' confidential and proprietary trade secret information known to the Participant until any particular confidential and proprietary trade secret information becomes generally known (through no fault of the Participant), whereupon the restriction on use and disclosure shall cease as to that item. Information regarding products in development, in test marketing or being marketed or promoted in a discrete geographic region, which information the Company or one of its affiliates or Subsidiaries is considering for broader use, shall not be deemed generally known until such broader use is actually commercially implemented. As used in this Article 6, "generally known" means known throughout the domestic U. S. industry or, in the case of Participants who have job responsibilities outside of the United States, the appropriate foreign country or countries' industry.

- (f) Subject to the provisions of Section 6.1(h), by acceptance of any Award granted under the terms of the Plan, the Participant acknowledges that if the Participant were, without authority, to use or disclose the Company's or any of its affiliates' or Subsidiaries' confidential and proprietary trade secret information or threaten to do so or violate or threaten to violate any other covenant of this Article 6, the Company or one of its affiliates or Subsidiaries would be entitled to injunctive and other appropriate relief to prevent the Participant from doing so. The Participant acknowledges that the harm caused to the Company by the breach or anticipated breach of this Article 6 is by its nature irreparable because, among other things, it is not readily susceptible of proof as to the monetary harm that would ensue. The Participant consents that any interim or final equitable relief entered by a court of competent jurisdiction shall, at the request of the Company or one of its affiliates or Subsidiaries, be entered on consent and enforced by any court having jurisdiction over the Participant, without prejudice to any rights either party may have to appeal from the proceedings which resulted in any grant of such relief.
- (g) Subject to the provisions of Section 6.1(h), the Participant acknowledges that if the Participant is subject to the Company's Executive Officer Recoupment Policy or any successor policy, then such policy applies with respect to Awards under this Plan and is in addition to all other restrictions and remedies set forth in this Article 6.
- (h) Notwithstanding the requirements of confidentiality contained in this Article 6, the federal Defend Trade Secrets Act of 2016 immunizes the Participant against criminal and civil liability under federal or state trade secret laws for Participant's disclosure of trade secrets that is made (i) in confidence to a federal, state, or local government official, either directly or indirectly, or to an attorney solely for the purpose of reporting or investigating a suspected violation of law; (ii) in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal; or (iii) to the Participant's attorney for use in a lawsuit alleging retaliation for reporting a suspected violation of law, provided that any document containing the trade secret is filed under seal and Participant does not otherwise disclose the trade secret, except pursuant to court order. Additionally, nothing contained in this Article 6 prohibits the Participant from: (1) reporting possible violations of federal law or regulations, including any possible securities laws violations, to any governmental agency or entity, including but not limited to the U.S. Department of Justice, the U.S. Securities and Exchange Commission, the U.S. Congress, or any agency Inspector General; (2) making any other disclosures that are protected under the whistleblower provisions of federal law or regulations; or (3) otherwise fully participating in any federal whistleblower programs, including but not limited to any such programs managed by the U.S. Securities and Exchange Commission and/or the Occupational Safety and Health Administration. The Participant does not need prior authorization from the Company to make any such reports or disclosures, and is not required to notify the Company about such disclosures.
- (i) If any of the provisions contained in this Article 6 shall for any reason, whether by application of existing law or law which may develop after the Participant's acceptance of an Award under the Plan be determined by a court of competent jurisdiction to be overly broad as to scope of activity, duration, or territory, the Participant agrees to join the Company or any of its affiliates or Subsidiaries in requesting such court to construe such provision by limiting or reducing it so as to be enforceable to the extent compatible with then applicable law. If any one or more of the terms, provisions, covenants, or restrictions of this Article 6 shall be determined by a court of competent jurisdiction to be invalid, void or unenforceable, then the remainder of the terms, provisions, covenants, and restrictions of this Article 6 shall remain in full force and effect and shall in no way be affected, impaired, or invalidated.

any unexpired, unpaid or deferred Awards at any time if the Participant is not in compliance with all terms and conditions set forth in the Plan, including this Article 6. By acceptance of any Award granted under the terms of the Plan, the Participant acknowledges that the remedies outlined in this Section 6.2 and in Section 6.3 below are in addition to any remedy the Company or any affiliate or Subsidiary may have at law or in equity, including without limitation injunctive and other appropriate relief. The Participant further acknowledges that, consistent with Section 6.1(f) above, a breach or anticipated breach of any covenant in this Article 6 will result in irreparable injury to the Company or one of its affiliates or Subsidiaries, for which there is no adequate remedy at law, and that the Company or one of its affiliates or Subsidiaries shall be entitled to obtain from a court of competent jurisdiction a temporary restraining order, a preliminary injunction, and/or a permanent injunction, without proof of actual damages or posting a bond. If a Participant is not in compliance with all terms and conditions set forth in the Plan, including this Article 6, and if litigation or other formal action is required to enforce the Plan, the Company shall be entitled to record its reasonable costs and attorneys' fees from the Participant if the Company is the prevailing party. The Participant agrees that the Company will be considered the prevailing party for purposes of awarding costs and attorneys' fees if the Company obtains any form of partial or complete injunctive relief, whether temporary, preliminary or otherwise.

**6.3 Repayment Obligations.** Upon exercise, payment or delivery of an Award, the Participant shall certify in a manner acceptable to the Company that he or she has complied with the terms and conditions of the Plan. In the event a Participant fails to comply with any provision in this Article 6 at any time before or after exercise, payment or delivery of an Award, the Participant shall repay to the Company the net proceeds of any exercises, payments or deliveries of Awards which occur at any time after the earlier of the following two dates: (a) the date three (3) years immediately preceding any such violation; or (b) the date six (6) months prior to the Participant's Termination of Employment. The Participant shall repay to the Company the net proceeds in such manner and on such terms and conditions as may be required by the Company, and the Company shall be entitled to set-off against the amount of any such net proceeds any amount owed to the Participant by the Company, to the extent that such set-off is not inconsistent with Code Section 409A. For purposes of this paragraph, "net proceeds" shall mean (1) for each Option or SAR exercise, the difference between the Option Price and the greater of (i) the price of Shares on the date of exercise or (ii) the amount realized upon the disposition of the underlying Shares, less any applicable taxes withheld by the Company; (2) for RSUs or Performance Stock Units, the greater of (i) the number of net Shares delivered to the Participant multiplied by the closing price of Shares on the date of delivery or (ii) the amount realized upon the disposition of the number of net Shares delivered, in either case less any applicable taxes withheld by the Company; (3) for Restricted Stock, the greater of (i) the number of net Shares retained by, or delivered to, the Participant after any restrictions lapse multiplied by the closing price of Shares on the date the restrictions lapse or (ii) the amount realized upon the disposition of the number of net Shares delivered, in either case less any applicable taxes withheld by the Company; and (4) for all other Awards, the value of Shares or cash delivered to the Participant less any applicable taxes withheld by the Company.

**6.4 Suspension of Exercise.** The Company reserves the right from time to time to suspend the exercise of any Award, where such suspension is deemed by the Company as necessary or appropriate for corporate purposes. No such suspension shall extend the life of the Option or Stock Appreciation Right beyond its expiration date, and in no event will there be a suspension in the five (5) calendar days immediately preceding the expiration date.

## **ARTICLE 7 STOCK OPTIONS**

**7.1 Grant of Options.** Options may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee, in its sole discretion. Each grant of an Option shall be evidenced by an Award Agreement which shall specify whether the Option is in the form of a Nonqualified Stock Option or an Incentive Stock Option.

**7.2 Option Price.** The Option Price for each grant of an Option shall be determined by the Committee in its sole discretion and shall be specified in the Award Agreement evidencing such Option; provided, however, the Option Price must be at least equal to 100% of the Fair Market Value of a Share as of the Option's Grant Date, subject to adjustment as provided for under Section 4.5.

**7.3 Term of Option.** The term of an Option granted to a Participant shall be determined by the Committee, in its sole discretion; provided, however, no Option shall be exercisable later than the tenth

anniversary of the Grant Date.

**7.4 Exercise of Option.** An Option shall be exercisable at such times and be subject to such restrictions and conditions as the Committee shall in each instance approve, which terms and restrictions need not be the same for each grant or for each Participant, except that no Option shall be exercisable within one (1) year from its Grant Date, except in the case of the death of the Participant.

**7.5 Notice of Exercise.** An Option shall be exercised by the delivery of a notice of exercise to the Company or an agent designated by the Company in a form specified or accepted by the Committee, or by complying with any alternative procedures that may be authorized by the Committee, setting forth the number of Shares with respect to which the Option is to be exercised.

**7.6 Payment of Option Price.** A condition of the issuance of the Shares as to which an Option shall be exercised shall be the payment of the Option Price. The Option Price of any exercised Option shall be payable to the Company in accordance with one of the following methods:

- (a) In cash or its equivalent;
- (b) By a cashless (broker-assisted) exercise;
- (c) By any combination of (a) and (b); or
- (d) Any other method approved or accepted by the Committee in its sole discretion.

Unless otherwise determined by the Committee, all payments under all of the methods indicated above shall be paid in United States dollars or Shares, as applicable.

**7.7 Special Rules Regarding ISOs.** Notwithstanding any provision of the Plan to the contrary, an Option granted in the form of an ISO to a Participant shall be subject to the following rules. An ISO may be granted solely to eligible Employees of the Company, a parent corporation, or a subsidiary, as defined in Code Section 422. An Award Agreement evidencing the grant of an ISO shall specify that such grant is intended to be an ISO. The Option Price for each grant of an ISO must be at least equal to 100% of the Fair Market Value of a Share as of the ISO's Grant Date (in the case of 10% owners, within the meaning of Code Section 422, the Option Price may not be not less than 110% of such Fair Market Value), subject to adjustment provided for under Section 4.5. Any ISO granted to a Participant shall be exercisable during his or her lifetime solely by such Participant. The period during which a Participant may exercise an ISO shall not exceed ten years (five years in the case of a Participant who is a 10% owner within the meaning of Code Section 422) from its Grant Date. To the extent that the aggregate Fair Market Value of (a) the Shares with respect to which Options are designated as ISOs plus (b) the shares of stock of the Company, parent corporation and subsidiary with respect to which other ISOs are exercisable for the first time by a holder of such ISOs during any calendar year under all plans of the Company, any parent corporation, and any subsidiary exceeds \$100,000, such Options shall be treated as Nonqualified Stock Options. For purposes of the preceding sentence, (a) Options shall be taken into account in the order in which they were granted, and (b) the Fair Market Value of the Shares shall be determined as of the time the Option or other ISO is granted. No more than 100,000,000 Shares shall be available under this Plan for delivery with respect to ISOs. No ISO may be granted more than ten years after the earlier of (a) adoption of this Plan by the Board and (b) the Effective Date. No ISO may be sold, transferred, pledged, assigned or otherwise alienated or hypothecated, other than by will or by the laws of descent and distribution; provided, however, that at the discretion of the Committee, an ISO may be transferred to a grantor trust under which the Participant making the transfer is the sole beneficiary.

## **ARTICLE 8 STOCK APPRECIATION RIGHTS**

**8.1 Grant of SARs.** SARs may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee, in its sole discretion. Each grant

of SARs shall be evidenced by an Award Agreement.

**8.2 Grant Price.** The Grant Price for each grant of an SAR shall be determined by the Committee and shall be specified in the Award Agreement evidencing the SAR; provided, however, the Grant Price must be at least equal to 100% of the Fair Market Value of a Share as of the Grant Date, subject to adjustment as provided for under Section 4.5.

**8.3 Term of SAR.** The term of an SAR granted to a Participant shall be determined by the Committee, in its sole discretion; provided, however, no SAR shall be exercisable later than the tenth anniversary of the Grant Date.

**8.4 Exercise of SAR.** An SAR shall be exercisable at such times and be subject to such restrictions and conditions as the Committee shall in each instance approve, which terms and restrictions need not be the same for each grant or for each Participant, except that no SAR shall be exercisable within one (1) year from its Grant Date, except in the case of the death of the Participant.

**8.5 Notice of Exercise.** An SAR shall be exercised by the delivery of a notice of exercise to the Company or an agent designated by the Company in a form specified or accepted by the Committee, or by complying with any alternative procedures that may be authorized by the Committee, setting forth the number of Shares with respect to which the SAR is to be exercised.

**8.6 Settlement of SARs.** Upon the exercise of an SAR, pursuant to a notice of exercise properly completed and submitted to the Company in accordance with Section 8.5, a Participant shall be entitled to receive payment from the Company in an amount equal to the product of (a) and (b) below:

- (a) The excess of the Fair Market Value of a Share on the date of exercise over the Grant Price.
- (b) The number of Shares with respect to which the SAR is exercised.

Payment shall be made in cash, Shares or a combination thereof as provided for under the applicable Award Agreement. In the case of the redemption of SARs by a Subsidiary of the Company not located in the United States, the redemption differential shall be calculated in United States dollars and converted to the appropriate local currency on the exercise date.

## **ARTICLE 9 RESTRICTED STOCK**

**9.1 Grant of Restricted Stock.** Restricted Stock may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee, in its sole discretion. Each grant of Restricted Stock shall be evidenced by an Award Agreement.

**9.2 Nature of Restrictions.** Each grant of Restricted Stock shall subject to a Period of Restriction that shall lapse upon the satisfaction of such conditions and restrictions as are determined by the Committee in its sole discretion and set forth in an applicable Award Agreement. Such conditions or restrictions may include, without limitation, one or more of the following:

- (a) Restrictions based upon the achievement of specific performance goals; and/or
- (b) Time-based restrictions.

**9.3 Voting and Dividend Rights.** Unless otherwise determined by the Committee and set forth in a Participant's applicable Award Agreement, to the extent permitted or required by law, as determined by the Committee, a Participant holding Shares of Restricted Stock granted hereunder shall be granted the right to exercise full voting rights with respect to those Shares and the right to receive dividends declared on those Shares during the Period of Restriction provided, however, that in the case of an Award as to which vesting

depends upon the satisfaction of one or more performance conditions, such dividends shall be subject to the same performance conditions as the underlying Award.

## **ARTICLE 10 RESTRICTED STOCK UNITS**

**10.1 Grant of Restricted Stock Units.** Restricted Stock Units may be granted to Participants in such number, and upon such terms, and at any time and from time to time as shall be determined by the Committee, in its sole discretion. A grant of a Restricted Stock Unit or Restricted Stock Units shall not represent the grant of Shares but shall represent a promise to deliver a corresponding number of Shares or the value of each Share based upon the completion of service, performance conditions, or such other terms and conditions as specified in the applicable Award Agreement over the Period of Restriction. Each grant of Restricted Stock Units shall be evidenced by an Award Agreement.

**10.2 Nature of Restrictions.** Each grant of Restricted Stock Units shall be subject to a Period of Restriction that shall lapse upon the satisfaction of such conditions and restrictions as are determined by the Committee in its sole discretion and set forth in an applicable Award Agreement. Such conditions or restrictions may include, without limitation, one or more of the following:

- (a) Restrictions based upon the achievement of specific performance goals;  
and/or
- (b) Time-based restrictions.

**10.3 Voting and Dividend Rights.** A Participant shall have no voting or dividend rights with respect to any Restricted Stock Units granted hereunder or the Shares corresponding to any Restricted Stock Units granted hereunder prior to such Shares being delivered to the Participant. A Participant may have a right to Dividend Equivalents based upon the terms of the Award pursuant to Article 14.

**10.4 Settlement and Payment of Restricted Stock Units.** Unless otherwise determined by the Committee, Restricted Stock Units shall be paid in the form of Shares upon the date specified in the Award Agreement. Any Shares paid to a Participant under this Section 10.4 may be subject to any restrictions deemed appropriate by the Committee.

## **ARTICLE 11 PERFORMANCE STOCK UNITS**

**11.1 Grant of Performance Stock Units.** Performance Stock Units may be granted to Participants in such number, and upon such terms and at any time and from time to time as shall be determined by the Committee, in its sole discretion. A grant of Performance Stock Units shall not represent the grant of Shares but shall represent a promise to deliver Shares or cash based on the satisfaction of performance and, if applicable, service conditions. Each grant of Performance Stock Units shall be evidenced by an Award Agreement.

**11.2 Earning of Performance Stock Units.** After the applicable performance period has ended, the number of Performance Stock Units earned by the Participant over the performance period shall be determined as a function of the extent to which the applicable corresponding performance goals have been achieved. This determination shall be made solely by the Committee.

**11.3 Voting and Dividend Rights.** A Participant shall have no voting or dividend rights with respect to any Performance Stock Units granted hereunder or the Shares corresponding to any Performance Stock Units granted hereunder prior to such Shares being delivered to the Participant. A Participant may have a right to Dividend Equivalents based upon the terms of the Award pursuant to Article 14.

**11.4 Settlement and Payment of Performance Stock Units.** Unless otherwise determined by the Committee, any earned Performance Stock Units shall be paid in the form of Shares following the close of the applicable performance period or at such other time as specified in the Award Agreement. Any Shares paid to a Participant under this Section 11.4 may be subject to any restrictions deemed appropriate by the Committee.

## **ARTICLE 12 OTHER STOCK-BASED AWARDS AND CASH-BASED AWARDS**

## **12.1 Grant of Other Stock-Based Awards and Cash-Based Awards.**

- (a) The Committee may grant Other Stock-Based Awards not otherwise described by the terms of this Plan to a Participant in such amounts and subject to such terms and conditions, as the Committee shall determine, in its sole discretion. Such Awards may involve the transfer of actual Shares to Participants, or payment in cash or otherwise of amounts based on the value of Shares.
- (b) The Committee may grant Cash-Based Awards not otherwise described by the terms of this Plan to a Participant in such amounts and subject to such terms and conditions, as the Committee shall determine, in its sole discretion.
- (c) Each grant of Other Stock-Based Awards and Cash-Based Awards shall be evidenced by an Award Agreement, except to the extent determined by the Committee.

## **12.2 Value of Other Stock-Based Awards and Cash-Based Awards.**

- (a) Each Other Stock-Based Award shall be expressed in terms of Shares or units based on Shares, as determined by the Committee, in its sole discretion.
- (b) Each Cash-Based Award shall specify a payment amount or payment range as determined by the Committee, in its sole discretion. If the Committee exercises its discretion to establish performance goals, the value of Cash-Based Awards that shall be paid to the Participant will depend on the extent to which such performance goals are met.

**12.3 Payment of Other Stock-Based Awards and Cash-Based Awards.** Payment, if any, with respect to Cash-Based Awards and Other Stock-Based Awards shall be made in accordance with the terms of the applicable Award Agreement, in cash, Shares or a combination of both as determined by the Committee in its sole discretion.

## **ARTICLE 13 VESTING**

Each Award under this Plan shall be subject to a vesting period of at least one (1) year, provided, however, that this minimum vesting period shall not apply to (a) early vesting by reason of death or Change in Control, or (b) any Awards granted up to a maximum of five percent (5%) of the Shares available for issuance under the Plan. An Award made to a Non-employee Director with a vesting period at least equal to the period from the annual shareholders' meeting at which the Award is granted to the next annual shareholders' meeting shall be considered to have a vesting period of at least one (1) year. For the avoidance of doubt, any Awards that cease to be subject to a risk of forfeiture upon Retirement, involuntary termination, or another event, but that are not paid before the original vesting period of at least one (1) year has elapsed, shall be considered to be subject to a vesting period of at least one (1) year for purposes of this paragraph.

## **ARTICLE 14 DIVIDENDS AND DIVIDEND EQUIVALENTS**

Except for Options and SARs, the Committee may grant Dividend Equivalents to a Participant based on the dividends declared on Shares that are subject to any Award granted to the Participant, with such Dividend Equivalents credited to the Participant as of the applicable dividend payment dates that occur during a period determined by the Committee. Dividend Equivalents shall be converted to and paid in cash or additional Shares or Awards by such formula and at such time and subject to such limitations as may be determined by the Committee. Notwithstanding the foregoing, dividends and Dividend Equivalents with respect to any Award shall be subject to the same vesting and, if applicable, performance conditions as the underlying Award and shall be paid to a Participant at the same time as the underlying Award.

## **ARTICLE 15 TRANSFERABILITY OF AWARDS AND SHARES**

**15.1 Transferability of Awards.** Except as provided in Section 15.2, during a Participant's lifetime, Options and SARs shall be exercisable only by the Participant personally, or, in the event of legal incompetence of the Participant, by the Participant's duly appointed legal guardian. Awards shall not be transferable other than by will or the laws of descent and distribution or, if permitted by the Plan Administrator and in the manner specified by the Plan Administrator, by designation of a death beneficiary; and any purported transfer in violation of this Section 15.1 shall be null and void.

**15.2 Committee Action.** Except as provided in Section 7.7, the Committee may, in its discretion, determine that notwithstanding Section 15.1, any Awards shall be transferable, without compensation to the transferor, to and exercisable by such transferees, and subject to such terms and conditions as the Committee may deem appropriate; provided, however, no Award may be transferred for value without shareholder approval.

**15.3 Restrictions on Share Transferability.** The Committee may impose such restrictions on any Shares acquired by a Participant under the Plan as it may deem advisable, including, without limitation, minimum holding period requirements, restrictions under applicable federal securities laws, under the requirements of any stock exchange or market upon which such Shares are then listed or traded or under any blue sky or state securities laws applicable to such Shares.

**15.4 Transferability after Death of a Participant.** For the purpose of exercising Options or Stock Appreciation Rights after the death of the Participant:

- (a) the individuals to whom the Options or Stock Appreciation Rights have been transferred pursuant to Section 15.1 shall have the privilege of exercising remaining Options, Stock Appreciation Rights or parts thereof, whether or not exercisable on the date of death of such Participant, at any time prior to the expiration date of the Options or Stock Appreciation Rights; and
- (b) the duly appointed executors and administrators of the estate of the deceased Participant shall have the same rights and obligations with respect to the Options and Stock Appreciation Rights as legatees or distributees would have after distribution to them from the Participant's estate.

## **ARTICLE 16                      TERMINATION OF EMPLOYMENT OR TERMINATION OF DIRECTORSHIP**

**16.1 Effect of Termination of Employment or Directorship Generally.** Each Award Agreement evidencing the grant of an Award shall provide for the following:

- (a) The extent to which a Participant shall vest in or forfeit such Award following the Participant's Termination of Employment or Termination of Directorship, as applicable.
- (b) With respect to an Award in the form of an Option or SAR, the extent to which a Participant shall have the right to exercise the Option or SAR following the Participant's Termination of Employment or Termination of Directorship, as applicable.

The foregoing provisions shall be determined in the sole discretion of the Committee, shall be included in each Award Agreement entered into with each Participant, need not be uniform among all Award Agreements and may reflect distinctions based on the reasons for termination.

**16.2 Effect of Termination of Employment for Cause.** In addition to the forfeiture events specified in the Award Agreements as authorized by Section 16.1 above, a Participant's Termination of Employment or Directorship for Cause shall result in the forfeiture of the Participant's outstanding Awards in accordance with the following:

- (a) Any outstanding and non-vested Options, SARs, Restricted Stock, RSUs,

Performance Stock Units, Cash-Based Awards and Other Stock-Based Awards granted to the Participant shall be forfeited as of the Participant's Termination of Employment or Directorship; and

- (b) Any vested and unexercised Options and SARs, vested but not settled RSUs, earned but not settled Performance Stock Units, and earned and/or vested Cash-Based Awards and Other Stock-Based Awards granted to the Participant shall be forfeited as of the Participant's Termination of Employment or Directorship.

## **ARTICLE 17 EFFECT OF A CHANGE IN CONTROL**

Notwithstanding any other provision of this Plan to the contrary, the provisions of this Article 17 shall apply in the event of a Change in Control:

**17.1 Awards Assumed by Successor.** Upon the occurrence of a Change in Control, any Award granted under the Plan that is Assumed (as defined in Section 17.2 below) by the entity effecting the Change in Control shall vest and be exercisable, if applicable, in accordance with the terms of the original grant unless, during the two (2) year period commencing on the date of the Change in Control:

- (a) a Participant's employment or directorship is involuntarily terminated for reasons other than for Cause; or,
- (b) a Participant who is an Employee terminates his or her employment for Good Reason.

If clause (a) or (b) applies, the Award shall become fully vested and exercisable, if applicable, and any restrictions that apply to the Award shall lapse, and any performance-based Award shall be deemed to be satisfied based on actual performance through the date of the Participant's termination if such performance is determinable in the judgement of the Committee, and based on target level performance if actual performance is not determinable. Notwithstanding the foregoing, with respect to any Award that is subject to Code Section 409A, if the Change in Control is not also a "change in control event" within the meaning of Section 409A, the payment shall be made on the date payment would have been made had the Termination of Employment or Termination of Directorship not occurred. For purposes of this Section 17.1, a Termination of Employment for Good Reason shall not be considered to be for Good Reason unless:

- (a) the Participant has provided the Company with a written notice of his or her intent to terminate employment for Good Reason within sixty (60) days of the Participant becoming aware of the circumstances giving rise to Good Reason; and
- (b) the Participant allows the Company thirty (30) days to remedy such circumstances to the extent curable.

**17.2 Assumed Awards Defined.** For purposes of this Article 17, an Award shall be considered assumed ("Assumed") if each of the following conditions are met:

- (a) Options and SARs are converted into a replacement Award in a manner that complies with Code Section 409A;
- (b) RSUs and Restricted Stock are converted into a replacement Award covering a number of shares of the entity effecting the Change in Control (or a successor or parent corporation), as determined in a manner substantially similar to the treatment of an equal number of Shares covered by the Award; provided that to the extent that any portion of the consideration received by holders of Shares in the Change in Control

transaction is not in the form of the common stock of such entity (or a successor or parent corporation), the number of shares covered by the replacement Award shall be based on the average of the high and low selling prices of the common stock of such entity (or a successor or parent corporation) on the established stock exchange on the trading day immediately preceding the date of the Change in Control;

- (c) the replacement Award contains provisions for scheduled vesting, treatment on Termination of Employment or Termination of Directorship (including the definitions of "Cause" and "Good Reason"), and, if applicable, performance measures and associated target levels and payout factors that are no less favorable to the Participant than the underlying Award being replaced, and all other terms of the replacement Award (other than the security and number of shares represented by the replacement Award) are substantially similar to the underlying Award; and
- (d) the security represented by the replacement Award is of a class that is publicly held and widely traded on an established stock exchange.

### **17.3 Awards not Assumed by Successor**

- (a) Upon the occurrence of a Change in Control, Awards under the Plan that are not Assumed by the person(s) or entity(s) effecting the Change in Control shall become fully vested and exercisable on the date of the Change in Control, any restrictions that apply to such Awards shall lapse, and any performance-based Award shall be deemed to be satisfied based on actual performance through the date of the Change in Control if such performance is determinable in the judgement of the Committee, and based on target level performance if actual performance is not determinable. Payment with respect to such Awards shall be made as follows:
  - (i) For each Option and SAR, the Participant shall receive a payment equal to the difference between the consideration (consisting of cash or other property, including securities of a successor or parent corporation) received by holders of Shares in the Change in Control transaction and the exercise price of the applicable Option or SAR, if such difference is positive. Such payment shall be made in the same form as the consideration received by holders of Shares. Any Options or SARs with an exercise price that is higher than the per share consideration received by holders of Shares in connection with the Change in Control shall be cancelled for no additional consideration.
  - (ii) For each Share of Restricted Stock, RSU, or Performance Stock Unit, the Participant shall receive the consideration (consisting of cash or other property, including securities of a successor or parent corporation) that such Participant would have received in the Change in Control transaction had he or she been, immediately prior to such transaction, a holder of the number of Shares equal to the number of Shares covered by the Restricted Stock, RSUs, or Performance Stock Units (based on actual performance through the date of the Change in Control if such performance is determinable in the judgement of the Committee, and based on target level performance if actual performance is not determinable).
- (b) The payments contemplated by clauses (a) (i) and (ii) of this Section 17.3 shall be made upon or as soon as practicable following the Change in Control, provided, however, that with respect to any Award that is subject to Code Section 409A, if the Change in Control is not also a "change in control event" within the meaning of Section

409A, the payment shall be made on the date payment would have been made had the Change in Control not occurred.

## **ARTICLE 18**                    **RIGHTS OF PARTICIPANTS**

**18.1**            **Employment.** Nothing in this Plan or an Award Agreement shall (a) interfere with or limit in any way the right of the Company or any Subsidiary to terminate any Participant's employment with the Company or any Subsidiary at any time or for any reason not prohibited by law or (b) confer upon any Participant any right to continue his employment or service as a Director for any specified period of time. Neither an Award nor any benefits arising under this Plan shall constitute an employment contract with the Company or any Subsidiary and, accordingly, subject to Articles 3 and 19, this Plan and the benefits hereunder may be amended or terminated at any time in the sole and exclusive discretion of the Board without giving rise to any liability on the part of the Company, any Subsidiary, the Committee or the Board.

**18.2**            **Participation.** No individual shall have the right to be selected to receive an Award under this Plan, or, having been so selected, to be selected to receive a future Award.

**18.3**            **Rights as a Shareholder.** Except as otherwise provided herein, a Participant shall have none of the rights of a shareholder with respect to Shares covered by any Award until the Participant becomes the record holder of such Shares.

## **ARTICLE 19**                    **AMENDMENT AND TERMINATION**

**19.1**            Amendment and Termination of the Plan and Awards.

- (a)                    Subject to subparagraphs (b) and (c) of this Section 19.1 and Section 19.3 of the Plan, the Board or the Committee may at any time amend or terminate the Plan or amend or terminate any outstanding Award.
  
- (b)                    Except as provided for in Section 4.5, the terms of an outstanding Award may not be amended, without prior shareholder approval, to:
  - (i)                    reduce the Option Price of an outstanding Option or to reduce the Grant Price of an outstanding SAR,
  
  - (ii)                    cancel an outstanding Option or SAR in exchange for other Options or SARs with an Option Price or Grant Price, as applicable, that is less than the Option Price of the cancelled Option or the Grant Price of the cancelled SAR, as applicable, or
  
  - (iii)                    cancel an outstanding Option with an Option Price that is less than the Fair Market Value of a Share on the date of cancellation or cancel an outstanding SAR with a Grant Price that is less than the Fair Market Value of a Share on the date of cancellation in exchange for cash or another Award.
  
- (c)                    Notwithstanding the foregoing, no amendment of this Plan shall be made without shareholder approval if shareholder approval is required pursuant to rules promulgated by any stock exchange or quotation system on which Shares are listed or quoted or by applicable U.S. state corporate laws or regulations, applicable U.S. federal laws or regulations and the applicable laws of any foreign country or jurisdiction where Awards are, or will be, granted under the Plan.

**19.2**            **Adjustment of Awards Upon the Occurrence of Certain Unusual or Nonrecurring**

**Events.** The Committee may make adjustments in the terms and conditions of, and the criteria included in, Awards in recognition of unusual or nonrecurring events (including, without limitation, the events described in Section 4.5) affecting the Company or the financial statements of the Company or of changes in applicable laws, regulations, or accounting principles, whenever the Committee determines that such adjustments are appropriate in order to prevent unintended dilution or enlargement of the benefits or potential benefits intended to be made available under this Plan. The determination of the Committee as to the foregoing adjustments, if any, shall be conclusive and binding on Participants under this Plan. By accepting an Award under this Plan, a Participant agrees to any adjustment to the Award made pursuant to this Section 19.2 without further consideration or action.

**19.3 Awards Previously Granted.** Notwithstanding any other provision of this Plan to the contrary, other than Sections 19.2, 19.4 and 21.15, no termination or amendment of this Plan or an Award Agreement shall adversely affect in any material way any Award previously granted under this Plan, without the written consent of the Participant holding such Award.

**19.4 Amendment to Conform to Law.** Notwithstanding any other provision of this Plan to the contrary, the Board or Committee may amend the Plan or an Award Agreement, to take effect retroactively or otherwise, as deemed necessary or advisable for the purpose of conforming the Plan or an Award Agreement to any law relating to plans of this or similar nature, and to the administrative regulations and rulings promulgated thereunder. By accepting an Award under this Plan, a Participant agrees to any amendment made pursuant to this Section 19.4 to the Plan and any Award without further consideration or action.

## **ARTICLE 20 TAX WITHHOLDING**

**20.1 Amount of Tax Withholding.** The Company shall have the power and the right to deduct or withhold, or require a Participant to remit to the Company, the amount necessary to satisfy applicable federal, state and local tax withholding requirements, domestic or foreign, with respect to any taxable event arising as a result of this Plan, but in no event shall such deduction or withholding or remittance exceed the maximum statutory withholding requirements in the applicable jurisdiction.

**20.2 Share Withholding.** With respect to withholding required upon the exercise of Options or SARs, upon the lapse of restrictions on Restricted Stock, upon the settlement of Restricted Stock Units or Performance Stock Units, or any other taxable event arising as a result of an Award granted hereunder (collectively and individually referred to as a "Share Payment") the Committee may choose to satisfy the withholding requirement, in whole or in part, by having the Company withhold from a Share Payment the number of Shares having a Fair Market Value on the date the withholding is to be determined equal to the amount necessary to satisfy applicable federal, state and local tax withholding requirements, domestic or foreign, with respect to any taxable event arising as a result of this Plan, but in no event shall such withholding exceed the maximum statutory withholding requirement in the applicable jurisdiction.

## **ARTICLE 21 GENERAL PROVISIONS**

**21.1 Legend.** The certificates for Shares may include any legend that the Committee deems appropriate to reflect any restrictions on transfer of such Shares.

**21.2 Gender and Number.** Except where otherwise indicated by the context, any masculine term used herein also shall include the feminine, the plural shall include the singular, and the singular shall include the plural.

**21.3 Severability.** In the event any provision of this Plan shall be held illegal or invalid for any reason, the illegality or invalidity shall not affect the remaining parts of this Plan, and this Plan shall be construed and enforced as if the illegal or invalid provision had not been included.

**21.4 Requirements of Law.** The granting of Awards and the issuance of Shares under this Plan shall be subject to all applicable laws, rules and regulations, and to such approvals by any governmental agencies or national securities exchanges as may be required.

**21.5 Delivery of Title.** The Company shall have no obligation to issue or deliver evidence of title for Shares issued under this Plan prior to:

- (a) Obtaining any approvals from governmental agencies that the Company determines are necessary or advisable; and
- (b) Completion of any registration or other qualification of the Shares under any applicable national or foreign law or ruling of any governmental body that the Company determines to be necessary or advisable.

**21.6 Inability to Obtain Authority.** The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

**21.7 Investment Representations.** The Committee may require any individual receiving Shares pursuant to an Award under this Plan to represent and warrant in writing that the individual is acquiring the Shares for investment and without any present intention to sell or distribute such Shares.

**21.8 Employees Based Outside of the United States.** Notwithstanding any provision of this Plan to the contrary, in order to comply with the laws in other countries in which the Company or any Subsidiaries operate or have Employees or Directors, the Committee, in its sole discretion, shall have the power and authority to:

- (a) Determine which Subsidiaries shall be covered by this Plan;
- (b) Determine which Employees or Directors outside the United States are eligible to participate in this Plan;
- (c) Modify the terms and conditions of any Award granted to Employees or Directors outside the United States to comply with applicable foreign laws;
- (d) Establish sub-plans and modify exercise procedures and other terms and procedures, to the extent such actions may be necessary or advisable. Any sub-plans and modifications to Plan terms and procedures established under this Section 21.8 by the Committee shall be attached to this Plan document as appendices; and
- (e) Take any action, before or after an Award is made, that it deems advisable to obtain approval or comply with any necessary local government regulatory exemptions or approvals.

Notwithstanding the above, the Committee may not take any actions hereunder, and no Awards shall be granted, that would violate applicable law.

**21.9 Uncertificated Shares.** To the extent that this Plan provides for issuance of certificates to reflect the transfer of Shares, the transfer of such Shares may be effected on a non-certificated basis, to the extent not prohibited by applicable law or the rules of any stock exchange.

**21.10 Unfunded Plan.** Participants shall have no right, title or interest whatsoever in or to any investments that the Company or any Subsidiaries may make to aid it in meeting its obligations under this Plan. Nothing contained in this Plan, and no action taken pursuant to its provisions, shall create or be construed to create a trust of any kind, or a fiduciary relationship between the Company and any Participant, beneficiary, legal representative or any other individual. To the extent that any individual acquires a right to receive payments from the Company or any Subsidiary under this Plan, such right shall be no greater than the right of an unsecured general creditor of the Company or the Subsidiary, as the case may be. All payments to be made hereunder shall be paid from the general funds of the Company, or the Subsidiary, as the case may be, and no special or

separate fund shall be established, and no segregation of assets shall be made to assure payment of such amounts except as expressly set forth in this Plan.

**21.11 No Fractional Shares.** No fractional Shares shall be issued or delivered pursuant to this Plan or any Award. The Committee shall determine whether cash, Awards or other property shall be issued or paid in lieu of fractional Shares or whether such fractional Shares or any rights thereto shall be forfeited or otherwise eliminated.

**21.12 Retirement and Welfare Plans.** Neither Awards made under this Plan nor Shares or cash paid pursuant to such Awards may be included as “compensation” for purposes of computing the benefits payable to any Participant under the Company’s or any Subsidiary’s retirement plans (both qualified and nonqualified) or welfare benefit plans unless such other plan expressly provides that such compensation shall be taken into account in computing a Participant’s benefit.

**21.13 Deferred Compensation.** It is intended that any Award under this Plan shall either be exempt from Code Section 409A or shall comply, in form and operation, with Code Section 409A. If a Participant is a “specified employee” as defined under Code Section 409A and the Participant’s Award is to be settled on account of the Participant’s separation from service (for reasons other than death) and such Award constitutes “deferred compensation” as defined under Code Section 409A, then any portion of the Participant’s Award that would otherwise be settled during the six-month period commencing on the Participant’s separation from service shall be settled as soon as practicable following the conclusion of the six-month period (or following the Participant’s death if it occurs during such six-month period). Any Awards that are subject to Code Section 409A shall be interpreted in a manner that complies with Code Section 409A.

**21.14 Nonexclusivity of this Plan.** The adoption of this Plan shall not be construed as creating any limitations on the power of the Board or Committee to adopt such other compensation arrangements as it may deem desirable for any Participant.

**21.15 No Constraint on Corporate Action.** Nothing in this Plan shall be construed to: (i) limit, impair, or otherwise affect the Company’s or a Subsidiary’s right or power to make adjustments, reclassifications, reorganizations or changes of its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell or transfer all or any part of its business or assets; or, (ii) limit the right or power of the Company or a Subsidiary to take any action that such entity deems to be necessary or appropriate.

**21.16 Governing Law.** The Plan and each Award Agreement shall be governed by the laws of the state of Ohio excluding any conflicts or choice of law rule or principle that might otherwise refer construction or interpretation of this Plan to the substantive law of another jurisdiction. Any legal action related to this Plan or the Awards hereunder may be brought in any federal or state court located in Hamilton County, Ohio, USA, and by accepting an Award, the Participant agrees to accept the jurisdiction of these courts and consent to service of process from said courts solely for legal actions related to the Plan and any Awards.

**21.17 Delivery and Execution of Electronic Documents.** To the extent permitted by applicable law, the Company may (i) deliver by email or other electronic means (including posting on a website maintained by the Company or by a third party under contract with the Company) all documents relating to the Plan or any Award thereunder (including without limitation, prospectuses required by the Commission) and all other documents that the Company is required to deliver to its security holders (including without limitation, annual reports and proxy statements) and (ii) permit Participant’s to electronically execute applicable Plan documents (including, but not limited to, Award Agreements) in a manner prescribed to the Committee.

**21.18 No Representations or Warranties Regarding Tax Effect.** Notwithstanding any provision of the Plan to the contrary or any action taken by the Company, Subsidiaries, or the Board with respect to any income tax, social insurance, payroll tax, or other tax, the acceptance of an Award under the Plan represents the Participant’s acknowledgement that the ultimate liability for any such tax owed by the Participant is and remains the Participant’s responsibility, and that the Company makes no representations or warranties about the tax treatment of any Award, and does not commit to structure any aspect of the Award to reduce or eliminate a Participant’s tax liability, including without limitation, under Code Sections 409A and 457A.

**21.19 Successors.** All obligations of the Company under this Plan with respect to Awards granted hereunder shall be binding on any successor to the Company, whether the existence of such successor is the

result of a direct or indirect purchase, merger, consolidation, or otherwise, of all or substantially all of the business and/or assets of the Company.

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## **Section 4: EX-23.1 (CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM)**

### **Exhibit 23-1**

#### **CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

We consent to the incorporation by reference in this Registration Statement on Form S-8 of our reports dated August 6, 2019, relating to the consolidated financial statements of The Procter & Gamble Company, and the effectiveness of The Procter & Gamble Company's internal control over financial reporting, appearing in the Annual Report on Form 10-K of The Procter & Gamble Company for the year ended June 30, 2019.

/s/ Deloitte & Touche LLP  
Cincinnati, Ohio  
October 8, 2019  
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## **Section 5: EX-24 (POWER OF ATTORNEY)**

### **Exhibit 24**

#### **THE PROCTER & GAMBLE COMPANY REGISTRATION STATEMENT ON FORM S-8 POWER OF ATTORNEY**

Each undersigned officer and/or director of The Procter & Gamble Company, an Ohio corporation (the "Registrant"), does hereby make, constitute and appoint Jon R. Moeller, Chief Financial Officer of the Registrant, Deborah P. Majoras, Chief Legal Officer and Secretary of the Registrant, and any other person holding the position of Chief Financial Officer, Chief Legal Officer, or Secretary of the Registrant from time to time, and each of them, as attorney-in-fact and agents of the undersigned, each with full power of substitution and resubstitution, with the full power to execute and file:

- (i) the Registration Statement on Form S-8 (the "Form S-8 Registration Statement") with respect to the registration under the Securities Act of 1933, as amended, of Common Shares of the Registrant issuable in connection with The Procter & Gamble 2019 Stock and Incentive Compensation Plan (the "Plan"), as may be revised in accordance with the Company resolution entitled "Authorize Filing of S-8 Registration Statement for The Procter & Gamble 2019 Stock and Incentive Compensation Plan;"
- (ii) any and all amendments, including post-effective amendments, and exhibits to the Form S-8 Registration Statement; and
- (iii) any and all applications or other documents to be filed with the Securities and Exchange Commission or any state securities commission or other regulatory authority with respect to the securities covered by the Form S-8 Registration Statement, with full power and authority to do and perform any and all acts and things whatsoever necessary, appropriate or desirable to be done in the premises, or in the name, place and stead of the said director and/or officer, hereby ratifying and approving the acts of said attorney.

IN WITNESS WHEREOF, the undersigned have subscribed to the above as of October 8, 2019.

**Signature**

**Title**

/s/ David Taylor  
David Taylor

Chairman of the Board, President and  
Chief Executive Officer (Principal  
Executive Officer)

/s/ Jon R. Moeller  
Jon R. Moeller

Vice Chairman, Chief Operating Officer  
and Chief Financial Officer (Principal  
Financial Officer)

/s/ Valarie L. Sheppard  
Valarie L. Sheppard

Controller and Treasurer and Executive  
Vice President - Company Transition  
Leader (Principal Accounting Officer)

/s/ Francis F. Blake  
Francis F. Blake

Director

/s/ Angela F. Braly  
Angela F. Braly

Director

/s/ Amy L. Chang  
Amy L. Chang

Director

/s/ Scott D. Cook  
Scott D. Cook

Director

/s/ Joseph Jimenez  
Joseph Jimenez

Director

/s/ Terry J. Lundgren  
Terry J. Lundgren

Director

/s/ Christine M. McCarthy  
Christine M. McCarthy

Director

/s/ W. James McNerney, Jr.  
W. James McNerney, Jr.

Director

/s/ Nelson Peltz  
Nelson Peltz

Director

/s/ Margaret C. Whitman  
Margaret C. Whitman

Director

/s/ Patricia A. Woertz  
Patricia A. Woertz

Director