

U.S. Taxpayer Information

What you need to know:

Please note that the below information is relevant to U.S. citizens or tax residents who have exercised stock options or have had Restricted Stock Units or Performance Stock Units settle in shares. If you are not a U.S. citizen or tax resident but have taxable U.S. income from your transaction because of past work in the U.S., it may not all be relevant to your situation. In all cases, please consult with your tax advisor for proper handling on your U.S. income tax return.

The income from your transaction is reported in Form W-2. If you refer to your Order Execution Confirmation, the amount reported is equal to the "Spread/Gain" for stock options and "Gross Fair Market Value" for other awards such as Restricted Stock Units. (For beneficiaries of deceased employees and the Board of Directors, the income is reported on Form 1099-MISC instead.)

Former Gillette Employees - If you exercised legacy Gillette Incentive Stock Options (ISO's) and did not sell all the shares, then only the gain related to the shares that you sold at the time of exercise will be reported. For the shares retained from an ISO exercise, required information will be provided on Form 3921 "Exercise of an Incentive Stock Option Under Section 422(b)". You will receive this form around the same time you receive your W-2 for the year.

What you need to do:

U.S. taxpayers should report all capital transactions on IRS Form 8949 "Sales and Other Dispositions of Capital Assets", which then carries to Schedule D.

If your transaction resulted in a sale of P&G shares, you need to report information about the shares sold on Form 8949 when you prepare your annual U.S. tax return. Any sale of shares resulting from your transaction would be considered a short-term transaction and will not be reported on a Form 1099-B.

Please use your Order Execution Confirmation or Settlement Confirmation email (which was previously sent to you from stockopt.im@pg.com) to complete the information requested on Form 8949. Below is a reference key to assist you:

- Description of Property = Enter number of P&G shares sold.
 - If you exercised a stock option using the Pay Cash method, there were no shares sold at the time of exercise. You would only use Form 8949 if you later sell these shares.
- Date acquired = Executed Date or Settlement Date
- Date sold = Executed Date or Settlement Date
- Proceeds = Broker Net Proceeds (F-G) (sum if you have multiple transactions on your confirmation)
- Cost or Other Basis = (F) Broker Sale Proceeds
- Gain (Loss) = after computation, should be a loss equal to (G) Commissions Paid

Please retain this information for tax purposes. Please consult with your personal tax advisor if you have any questions on how to report this transaction on your tax return.