

**Testimony of Sean Mulvaney
Senior Director, Government Relations & Public Policy
Procter & Gamble**

**Before the Congressional-Executive Commission on China
Hearing on “Corporate Sponsorship of the 2022 Beijing Olympics”**

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Chairman Merkley and Co-chairman McGovern, my name is Sean Mulvaney, and I am a Senior Director for Government Relations & Public Policy at Procter & Gamble (“P&G”). Thank you for the opportunity to appear today to discuss P&G’s commitment to respecting and prioritizing human rights, including in our longstanding support of Olympic athletes and their families. I look forward to our discussion and to continuing to work with you and your colleagues on these and other important issues.

P&G was founded in 1837 in Cincinnati, Ohio, as a small business producing soap and candles. Since that time, we have grown into a global company with household brands recognized around the world—but we are still headquartered in Cincinnati, and we still maintain the same business model. In particular, even as we have expanded into new markets, we have continued to focus on providing consumers with quality products that make every day better. This approach has allowed us to be one of the most competitive American companies on a global scale, and our brands are now available in more than 180 countries.

Today, in the United States alone, P&G operates 25 manufacturing facilities and employs approximately 26,000 people. While our U.S.-based facilities primarily make products for American and Canadian consumers, P&G’s domestic operations also support the company’s overseas business. Indeed, one in five U.S.-based jobs at P&G—and two in five Ohio-based jobs—support our global operations.

Wherever we operate, respecting human rights is fundamental to how we manage our business. Our approach to human rights is embedded in our foundational Purpose, Values, and Principles, which have guided our operations for more than 180 years and which include a commitment to operate responsibly, ethically, and with integrity. Consistent with these values, we have committed to supporting internationally recognized principles for safeguarding human rights throughout our own operations, and we extend our human rights commitments to our global supply chain.

Our commitment to respecting and prioritizing human rights also extends to our longstanding support for the Olympic movement. As part of a commitment that will span more than two decades—beginning with our sponsorship of Team USA at the 2010 Vancouver Games and continuing through our sponsorship of the 2028 Los Angeles Games—P&G has supported Olympic athletes and their families. We recognize that respecting human rights is foundational to the Olympic movement and to realizing the ambition of uniting the world through sport. That’s why, as a sponsor, we have supported various efforts aimed at strengthening the International Olympic Committee’s (“IOC”) approach to human rights, including its efforts to implement the U.N. Guiding Principles on Human Rights (“U.N. Guiding Principles”) into its operations and oversight of the Olympic Games.

P&G's Longstanding Commitment to Supporting Athletes and the Olympic Movement

For over a decade, P&G has supported the Olympic movement, American athletes, and their families through our sponsorship of the IOC and the Olympic Games. As an Olympic sponsor, P&G is and has always been focused on the athlete experience and on the families who support Olympic athletes and hopefuls around the world. P&G has also worked through our sponsorship to continue to drive progress with the IOC on the topic of human rights, including actively working with the IOC to advance the integration of the U.N. Guiding Principles across its operations and into host-city contracts.

P&G's support for the Olympic movement began with our sponsorship of Team USA in the 2010 Winter Games in Vancouver with our Thank You Mom campaign, which recognizes the support moms provide to their children on their journey to achieve their Olympic dreams. This sponsorship continues today with our participation, along with several other American companies, in the IOC's Olympic Partner ("TOP") Programme, and we are committed to sustaining and building on that essential support through the 2028 Los Angeles Games. This commitment extends over several past and future Games—including London, Sochi, Rio, PyeongChang, Tokyo, Beijing, Paris, Milan, and Los Angeles—irrespective of the host city in which the Games occur.

Our focus from the very start of our Olympics sponsorship has been on supporting Olympic athletes who work their entire lives to compete on the world stage—along with their moms and families who support them during their journey—before, during, and after the Games. To date, we have supported more than 400 global athletes, including more than 100 American athletes, with sponsorships and programs that provide valuable economic support.

This support for the broader Olympic movement is particularly evident in our support for Olympic athletes here in the United States. Unlike many other National Organising Committees, the U.S. Olympic & Paralympic Committee ("USOPC") is a privately funded, non-profit corporation that receives no direct funding from the U.S. federal government. The USOPC is therefore especially reliant on private funding to support the U.S. Olympic team.

Indeed, the USOPC reports that 33% percent of the funding for Team USA comes from TOP sponsorships. Private funding, like that received through the TOP program, allows the USOPC to fund high-performance programs for athletes, athlete foundational programs, world-class athlete training facilities, fundraising and commercial activities, Team USA Marketing and Promotion, and Olympic and Paralympic competition support such as travel and lodging. Simply put, it is the support from corporate sponsors like P&G that enables Team USA's Olympic and Paralympic athletes—for whom training is a full-time job—to compete and win at the highest level.

Nonetheless, P&G's commitment to the Olympic movement is not limited to financial support to the IOC. P&G also makes the Games possible by providing other key means of support to the IOC and other Olympic partners. In particular, P&G provides:

- Professional expertise, such as consulting on marketing, digital media capability, human rights, equality and inclusion, and environmental sustainability, to support the advancement of the Olympic movement;
- Direct support, via athlete sponsorship, for the training and development of Olympic athletes and hopefuls around the world;

- Marketing campaigns that shine a spotlight on the athletes and their families to bring awareness to the athletes and inspire support in their home countries, especially in the United States;
- Activations to enhance the Olympic experience for spectators; and
- Essential services such as dental clinics, salon services, and laundry services for athletes participating in the Games.

One of P&G’s central, athlete-focused initiatives during the Games is supporting athletes and their families at the “P&G Family Home,” a “home away from home” in host cities. The Family Home gives P&G-sponsored athletes—including all U.S. athletes—and their families a place to convene, relax, rest, eat, and engage with other athletes and families.

P&G also committed to sponsor the “Pride House” at the Tokyo Olympics, which was planned as a safe and supportive space for LGBTQIA+ athletes, their families, and fans. This effort was conceived during the 2014 Winter Games in Sochi, before which there were concerns about violence toward LGBTQIA+ athletes. P&G worked with the IOC and other key stakeholders to ensure athlete safety at those Games. This is just one example of how P&G has prioritized athletes and human rights, regardless of where the Games are hosted.

We have also partnered with the IOC and others to support women and girls in sports. We’ve focused one area of our support on the accurate portrayal of female athletes in advertising, free of stereotyping or objectification, because we know that the images in advertising embeds memories, shifts norms, and can change bias. We have also provided expertise and technical support to the IOC for its recently launched strategic guidelines in the area of portrayal, and we will continue to champion the accurate portrayal of female athletes—while raising their voices and highlighting the causes they champion—on and off the field. In the Tokyo Olympics, 16 of 18 P&G-sponsored athletes are women, and five of our brands are launching campaigns celebrating a diverse group of women Olympians.

Separate from our sponsorship through the TOP program, P&G and the IOC also jointly established the Athletes for Good Fund to further the Olympic mission of supporting athletes and putting them at the heart of the Olympic movement. The Athletes for Good Fund provides grants to causes that Olympic and Paralympic athletes and hopefuls are supporting in their communities. The Athletes for Good Fund supported 52 grant awards to these causes—representing one for every week leading up to the 2021 Opening Ceremonies in Tokyo.

P&G Works to Promote Human Rights Protections at the Olympics

These efforts to support diverse athletes, their families, and their causes are just some of the ways P&G puts our Purpose, Values, and Principles into practice. More broadly, P&G is committed to respecting human rights in all our work, including our support of athletes, athletic competition, and sponsorship of the Olympics. That’s why, when we became a sponsor of the TOP program, we ensured that our sponsorship contract required the IOC to maintain policies concerning compliance with applicable laws and respect for human rights. We have also supported the IOC’s efforts to implement the U.N. Guiding Principles into its operations and oversight of the Olympic Games.

Further, in 2018, we became a founding member of the Centre for Sports and Human Rights (“the Centre”), an alliance of organizations including non-governmental organizations,

sports governing bodies, and private companies that work together to protect and promote human rights in the athletic world. As members of the Centre’s Advisory Board, P&G and other Centre members and Olympic sponsors have requested information from the IOC about the upcoming Olympic Games. Specific to the Beijing 2022 Games, the Centre has engaged with the IOC regarding supply chain considerations, free speech protections, and protections against displacement of local communities.

We have also, both directly and via the Centre, urged the IOC to implement the “Recommendations for an IOC Human Rights Strategy” authored by human rights experts Rachel Davis, founder of the SHIFT non-profit center for business and human rights practice, and Prince Zeid Ra’ad Al Hussein, former U.N. High Commissioner for Human Rights and chair of the IOC’s Human Rights Advisory Committee. These recommendations call for the IOC to:

- Articulate its human rights responsibilities by amending the Olympic Charter to explicitly address human rights and incorporating human rights into the IOC’s key governing documents;
- Embed respect for human rights within the IOC, including by building its human rights expertise and capability;
- Identify and address human rights risks, including by strengthening due diligence;
- Track and communicate progress on human rights issues to stakeholders; and
- Strengthen the “remedy ecosystem” in sports by using its leverage to improve grievance mechanisms.

Both individually and together with other TOP sponsors, we have consistently engaged with the IOC to offer support as the IOC implements these recommendations. And we are encouraged to see that the IOC has taken initial steps towards implementation. Nonetheless, we are continuing to urge the IOC to build its human rights expertise and capability and to implement standards and practices to identify, mitigate, and address human rights impacts that may occur across its global operations.

P&G’s Commitment to Protecting Human Rights

Our commitment to respecting and prioritizing human rights is also fundamental to how we manage our business. In particular, we support the U.N. Guiding Principles, a commitment which we extend to our global supply chain through our Responsible Sourcing Guidelines for External Business Partners and Supplier Citizenship Program.

Under the U.N. Guiding Principles, companies have a responsibility to act with due diligence to avoid infringing on the rights of others and to address any potential adverse impacts caused or contributed to by our work. We act on this responsibility. We regularly review our adherence to our human rights commitments through rigorous self-assessments. And we take every report of a potential human rights violation seriously.

To that end, we have set up a 24/7 help line to enable confidential reporting of any human rights concerns, and we encourage anyone aware of potential human rights concerns related to our business—whether employees, business partners, non-governmental organizations, or other stakeholders—to share information that will enable us to investigate. We

are committed to reviewing all reports with trained teams who can ensure impartial and fact-based investigations.

Beyond adopting our own policies and procedures to protect human rights, we have extended our human rights commitments to our global supply chain by adopting our Responsible Sourcing Expectations for External Business Partners. These expectations explain the global standards to be followed in business activities on behalf of P&G and, among other things, include prohibitions on the use of forced or child labor; prohibition of discrimination based on factors including race, gender, religion, and other protected characteristics; prohibition of coercion, harassment, or punishment of workers; and respect for employee and consumer privacy. We also encourage our external business partners, including the IOC, to set similar expectations with their own suppliers.

To ensure compliance with our Responsible Sourcing Expectations, we reserve the right to conduct audits of our suppliers or supply chains. Our audits assess partners' labor standards, health and safety practices, and environmental and business practices, among other things. And we target our audits in particular to high-risk industries and geographies. If issues arise, we assess the problem and use our resources and expertise to come to a better solution or business practice—or exit our relationship as necessary.

All this said, we acknowledge that achieving respect for human rights around the world can be an enormous challenge. We can make meaningful contributions in our shared objectives only through consistent collaboration and engagement with others. That's why we seek consultation from important external stakeholders, including critics and recognized human rights thought leaders, and we strive to work cooperatively with governments, civil society organizations, and industry and business associations to promote human rights.

Conclusion

Chairman Merkley and Co-chairman McGovern, thank you again for the invitation to testify this morning. P&G values our partnership with you and this Commission, and we look forward to working with you to recognize and protect human rights while supporting the Olympic mission.