

Enabling healthier lives



HEALTH ▸ HYGIENE ▸ HOME



Sustainability Report 2013

What's in this report?*About us*

The opening sections tell you about our business and our sustainability strategy (pages 3-6)

Priority action areas

This is the core narrative of the report. It tells you what we achieved in 2013 in our three priority areas (pages 8-23)

Performance & Approach

Here you'll find all the numbers and other details of our performance (pages 25-33)

Everything you would want to know about the background to our reporting is in this final section (pages 34-end)

Contents**Introduction**

CEO's introduction	3
Innovating for healthier lives & happier homes	4
Our response to a changing world	5
Our 2013 achievements at a glance	6

Healthier Communities

Health & hygiene to save lives	8
Igniting a movement for better sexual health	9
Clean hands – spread the word	10
Save a Child Every Minute	11
Record amount raised!	12

Better Design

Sustainable innovation	14
Every drop counts	15
Cutting carbon by targeting product use	16
Small packaging changes all add up	17
Smart design for safety	18

Better Production

Resource-wise & people-safe	20
Mission zero waste	21
Beyond the factory	22
Our safety record – it's no accident	23

Our Performance & Approach

Progress and Performance	25
Materiality for Sustainability Reporting	34
Managing Sustainability	35
Approach to Reporting	37
Reporting Criteria	38
Independent Assurance on Selected Sustainability Data	43
GRI Content Index & Application Level	44

This is an interactive PDF

Use the menu bar across the top of each page for easy navigation around this report. The contents list is also interactive. Links to websites and appendix items appear throughout this report.

Printing this report

Please be mindful of the pages you print. To avoid waste, only print the pages you wish to read and print double sided, in black and white.

A strong foundation for healthier lives

One year into our new betterbusiness sustainability strategy, we are making great progress towards our goals for 2020. We are creating a new force in consumer health and enhancing capabilities that will enable us to improve the health and hygiene of hundreds of millions of people across the globe.

RB is a business inspired by a vision of a world where people are healthier and live better – and to bring this vision to life we are working harder to provide innovative solutions that make a real difference for healthier lives and happier homes. We have continued to focus on health and hygiene categories where we have introduced innovative new products like Nurofen for Children and Mucinex Fast-Max Cold and Flu. To complement our successful organic growth strategy, we have also boosted our presence in key consumer health categories and emerging market geographies through strategic acquisitions.

People are living longer than ever before because of better health and hygiene. They are also more connected than ever to information and products that help them to live healthier lives. Yet despite such progress, a healthy lifestyle is still out of reach for billions of people – 1.2 billion experience water scarcity and 2.5 billion live without basic sanitation.

Our ambition matches this huge challenge. We are working with Save the Children to 'Save a Child Every Minute' – helping to stop diarrhoea deaths in children under five. We will do this through innovation in close partnership with our brands, community mobilisation and education.

We also introduced a new goal this year: to reach more than 200 million people by 2020, to improve their health and hygiene behaviour. We will achieve this through social innovation led by our brands, working in partnership with suppliers, NGOs, governments and other key stakeholders. Examples of some great projects already underway are set out in this report.

This year we made good progress on our 2020 environmental goals: to cut the water and carbon footprint of our products by one third, and for one third of net revenue to come from more sustainable products. In 2013 we achieved a 9% reduction in our total water impact per dose, 7% reduction in total carbon footprint per dose, and £230 million of our net revenue in 2013 was from more sustainable products¹.

Our factories and warehouses have also reduced energy and water use per unit of production by 6% and 19% respectively. We've gone from 4 to 22 sites achieving zero waste to landfill status – almost 50% of our factories globally. We remain committed to maintaining high safety standards in our operations and have cut lost work day accident rates² by over 5% since last year. There have been zero fatalities.

This excellent performance has been recognised externally. RB was included in both the Dow Jones Sustainability Index Europe and the CDP's Carbon Disclosure Leadership Index in 2013.



But this is just the start. In 2014, our challenge is not only to continue managing our own operations well but also to increase our efforts across the entire value chain. Working with suppliers and other partners, we will help our consumers live more sustainably through our brands.

Our people and our culture are at the heart of our success and will drive us to continue innovating to outperform in sustainability just as in other aspects of our business. I thank everyone for their contribution to these first successful steps towards our betterbusiness goals and targets, which are covered in detail in the following pages.

Rakesh Kapoor
Chief Executive

¹ Q1-Q3, see page 14 for details

² At factories, warehouses and R&D centres

Innovating for healthier lives & happier homes

RB is a unique global health, hygiene and home company with products across a host of fast growing consumer segments that deliver benefits for all stakeholders.

Our vision is a world where people are healthier and live better.

Our purpose is to provide innovative solutions for healthier lives and happier homes. This is the heart of our business strategy and drives everything we do.

Our strategy

Powerbrands

Focus on our key health, hygiene and home brands where we have capabilities to win.

Powermarkets

Core markets prioritised on growth potential and our ability to compete in the market.

Organisation

Informed by consumer areas: LAPAC, RUMEA and ENA (see right).

Margins

Drive margins to fund investment and profit growth and convert to cash.

In 2013 we significantly expanded our presence in key consumer health segments and emerging markets through organic growth and strategic acquisitions. Acquisitions included the purchase of Schiff (providing a meaningful position in vitamins, minerals and supplements); collaboration with Bristol Myers Squibb (consumer health brands in cold and flu and pain relief in Brazil and Mexico); and purchase of the leading traditional sore throat brand, Manyanshuning, in China.

Our 2015 KPI, to achieve 72% of our core net revenue from health and hygiene, has been achieved two years early. We will continue to increase this by 1% per annum in the medium term. We are making good progress on the way to our other medium term KPI of achieving 50% of our core net revenue from emerging markets by 2015.

We take the same innovative approach to sustainability as we do for our business and brands. We continue to focus on reducing our environmental impacts across the value chain, reducing costs and risk and increasing margin, and maximising our positive effects on health and hygiene behaviour through education and innovation.

Areas



LAPAC

North Asia / South East Asia / Australia & New Zealand / Latin America

RUMEA

Russia & CIS / Middle East, North Africa & Turkey / Sub-Saharan Africa

ENA

North America / Central Europe / Northern Europe / Southern Europe / Western Europe



Health

Good health is the key to happiness



Hygiene

Hygiene is the foundation of healthy living



Home

Home is the centre of family life



FOOD Food is run as a broadly stand-alone business

Our response to a changing world

The challenge

Over
1 billion
people live in areas
of water scarcity

Climate change

is linked to an increased spread
of diseases including dengue
fever & malaria through
disease-carrying pests

6 billion

people own a mobile
phone, while only

4.5 billion

have access to working toilets

800,000
children

die needlessly every year
from preventable causes
like diarrhoea

Our strategy

betterbusiness
Healthier lives. Happier homes.

Our goals for 2020



**less carbon footprint
& water impact**



**net revenue from
more sustainable products**



**New goal: reach more than
200 million people to improve their
health and hygiene behaviour**



Help stop deaths
from diarrhoea
in partnership with



**Partner with Save the Children to
'Save a Child Every Minute'
by helping stop deaths from
diarrhoea in children under five**

Our betterbusiness goals are underpinned by activities across the three pillars below, which together enable us to maximise the positive impacts of our brands, minimise negative environmental impacts and deliver insights to fuel sustainable growth.

Healthier Communities

Improving health and hygiene behaviour through our brands and partnerships. See our goals and priorities on page 8.

Better Design

Creating products that use less water, energy and packaging, and more sustainable ingredients. See our targets on page 14.

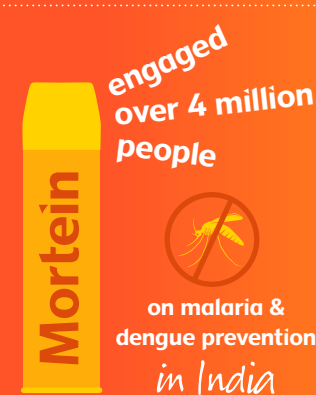
Better Production

Reducing our environmental footprint in production, meeting our social standards and keeping our people safe. See our targets on page 20.

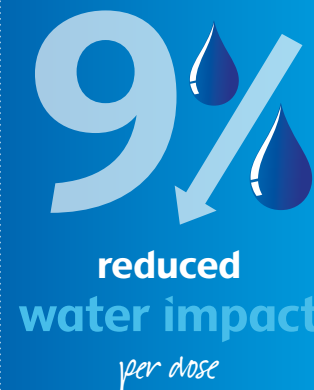
Our 2013 achievements at a glance...



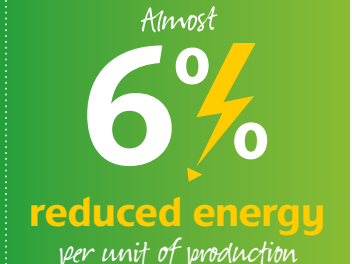
Healthier Communities



Better Design



Better Production



Healthier Communities



Health & hygiene to save lives	8
Igniting a movement for better sexual health	9
Clean hands – spread the word	10
Save a Child Every Minute	11
Record amount raised!	12

Health & hygiene to save lives

Our products, from Dettol to Durex, protect millions of people from illness every year. But they can only provide that protection if people know the benefits and understand how to use them effectively.

Our contribution to human health therefore comes from consumer education as well as product innovation. We introduced a new goal this year: to reach more than 200 million people by 2020, to improve their health and hygiene behaviour.

The toll of disease is horrendous, especially from malaria, HIV, AIDS and diarrhoea. Every day:

- malaria kills approximately 1,800 people;
- over 4,000 people die from HIV/AIDS; and
- diarrhoea is responsible for 2,400 child deaths.

Many of these lives could be saved by better understanding and we have created powerful partnerships to spread health and hygiene messages. Brand partnerships with Save the Children, the MTV Staying Alive Foundation and governments maximise the impact of our contribution, which also depends on engaging employees in our ambitions and programmes. Together we are continuing to save lives.

Our goals for healthier communities



Save the Children

Partner with Save the Children to 'Save a Child Every Minute' by helping to stop deaths from diarrhoea in children under five



New goal: reach more than 200 million people to improve their health and hygiene behaviour

Our priorities

- Innovating products and behaviours to tackle the causes of diarrhoea and testing them in key markets
- Ensuring consistent sustainability communications through Happier Homes (see page 10)
- Engaging employees*

* Examples run throughout the report

Stop mosquitoes spreading

Mosquito bites can spread malaria and other diseases such as dengue fever.

Our pest control brand, Mortein, ran an awareness campaign in Sonapur, India. Working with village heads and school principals, we organised fumigation drives, health camps and other information sessions, and planted saplings of neem trees which naturally repel the insects. The campaign showed how small measures can help stop mosquitoes spreading.



25
villages engaged



More than
9,000
school children reached



12,000
people signed a pledge to keep their surroundings clean & free from mosquitoes

Igniting a movement for better sexual health

The last few years have seen significant progress in the fight against HIV and AIDS, but HIV transmission is still an issue around the world.

In 2012, 1.6 million people died from AIDS-related causes and there were 2.3 million new HIV infections. With more than 40% of new infections being in young people, this is a key focus for Durex's work on sexual health.

In 2013, Durex and the MTV Staying Alive Foundation – the world's largest youth-focused HIV and AIDS awareness and prevention campaign – announced a landmark collaboration to inspire young people around the world to take charge of their sexual health. It will create and support innovative programmes to empower young people to adopt positive sexual attitudes and behaviour and work towards achieving an HIV-free generation, beginning in 2013 with:

#someonelikeme – we launched a three year global campaign for young people to take action to help shape a world free from HIV. A global conversation about sex and sexual health across digital and social channels engaging young audiences wherever they socialise and connect, leading to 2013 World AIDS Day events around the world from Sydney to Mexico City. Millions of young people have already engaged with #someonelikeme and to recognise this we will be donating 10 million Durex condoms to HIV education and prevention projects around the world.

On the Ground – Durex is working with the Staying Alive Foundation's global grantee programme and with a number of selected projects providing financial, mentoring and training support (see '5 Formas de Amarte').

"For the past 15 years, the MTV Staying Alive Foundation has worked tirelessly to influence positive sexual behaviour among young people around the world in creative and innovative ways. At MTV SAF, we believe that this generation will change the course of the HIV epidemic, and are thrilled to be partnering with Durex on a campaign that will empower young people to do just that."

Georgia Arnold
Executive Director, MTV Staying Alive Foundation

5 Formas de Amarte ('5 Ways to Love Yourself')

Jovenes Promotores, a group of young people from Guadalajara, Mexico, launched the campaign '5 Ways to Love Yourself' with support from the MTV Staying Alive Foundation and Durex. Their aim is to educate young people on five main messages:



Working together with design and communication students, Jovenes Promotores created posters and banners that were distributed throughout the city, gave radio interviews and co-organised a festival during which they informed visitors about HIV prevention and gave away safe sex kits.



Clean hands – spread the word

Unsafe water and poor sanitation lead to diarrhoea and dehydration. Diarrhoea kills approximately 800,000 children a year.

Dettol campaigns are spreading the hygiene message that many of these deaths could be prevented with better hygiene practices.

Handwashing is particularly important because children pick up and pass on germs on their hands that can cause diarrhoea. We work with organisations in several countries to communicate the message that children can be protected by healthy handwashing habits.

- We helped to promote Global Handwashing Day in South Africa, giving teachers Dettol handwashing bags and other materials and reaching more than 2,000 children.
- Our school handwash programme in India has now reached 17,000 schools since 2006. Working with a local NGO, we provide materials explaining that regular handwashing is the single most effective defence against germs.
- In China, we helped break two world records, working with Save the Children and the local health campaign committee in Anhui province. Among the activities to stress the importance of handwashing, 2,571 children created a new record for the longest handshake chain. Adult volunteers joined in the fun, with 366 health volunteers setting a record for the most participants in a handwashing relay.

**2
new world
records**



Happier Homes

The aspiration of our Happier Homes programme is to help our consumers make a positive difference while using RB brands – we share advice and information via our website, Facebook page and through on-pack communications.

We focus on three areas – water & energy savings, health and hygiene and environment & wellbeing.

Find out more at happier-homes.co.uk



Save a Child Every Minute



We have expanded our successful, long-standing partnership with Save the Children and launched our ambition to ‘Save a Child Every Minute’ by helping to stop deaths from diarrhoea in children under five.

Diarrhoea is the second leading cause of child death from preventable illnesses, after pneumonia, killing 90 children under five every hour.

Our ground-breaking partnership will be delivered through a truly holistic approach: both in treating and preventing diarrhoea as well as working across stakeholders, including other businesses, governments and NGOs, to end needless deaths from diarrhoea.

We will test our approach, based on the seven point plan designed by WHO and UNICEF, through pilot programmes, starting in Pakistan, where 150,000 children die every year from diarrhoea and pneumonia. The programme will include working with the Department of Health in Punjab and our goal is to halve the incidence of diarrhoea and cut child deaths by 13%.

Drawing on RB's innovation capabilities will be key to achieving our goals. We are working closely with our partners to co-create affordable solutions to fight diarrhoea that can be rolled out at scale. We kicked off with an immersion workshop with BASF, Novozymes, Takasago and Save the Children in Nairobi, Kenya and included experts from the University of Nairobi, to develop products designed with the consumer at the heart. In 2014, we will start to turn these concepts into products we can test in the community.



“Finding innovative solutions is at the heart of our business. In this case it will mean saving children’s lives.”

Heather Allen, EVP Category Development



Building sanitation in India

We are supporting a Save the Children campaign to increase access to hygienic sanitation in India, where less than a third of the population currently have access to sanitation. Working closely with governments and other partners, the WASH (Water and Sanitation and Hygiene) programme will build infrastructure, raise awareness and encourage healthy, hygienic behaviours. In the first year, the project reached almost 87,000 people including over 32,500 children through the development of infrastructure including over 130 toilet complexes and compost latrines across Bihar, Jharkhand, West Bengal and the slums of Delhi. The project also delivered 668 handwashing and hygiene sessions reaching more than 41,030 children and their families.



Health advice in Tanzania

A five-year project in Lindi, one of Tanzania's poorest areas, came to an end in 2013, having achieved major progress in health care for babies and young children. The project contributed to a 17% reduction in child mortality and a 9% reduction in maternal mortality in the districts it covered. RB supported Save the Children to spread lifesaving health messages among 128 villages in the region, which has high death rates from malaria and



diarrhoea, reaching over 794,000 people, including over 286,700 children under five. The project provided essential vaccinations and trained almost 300 health workers who advised parents with sick children.

Photo credit: Sala Lewis / Save the Children

Record amount raised!

RB committed a total of £5.5 million to Save the Children in 2013, with a substantial portion coming from employees' fundraising.

These funds were raised through a variety of activities including events, brand initiatives and corporate donations. Events took place at our offices and factories around the world.

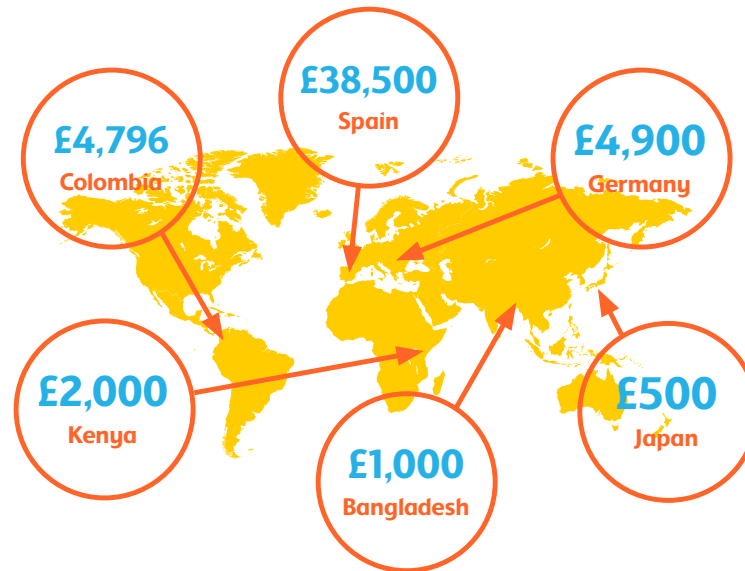
One notable date in November's calendar was the celebration of **Universal Children's Day** with 45 offices collectively raising more than £100,000. Activities ranged from a sponsored cycle ride in Bangladesh to a soccer tournament in Kenya. In Russia, the team raised awareness about the importance of clean water in health and hygiene, while in Japan employees held a family day.

Our fourth **Global Challenge** brought more than 60 volunteers from 29 countries to Indonesia and raised £315,000 for Save the Children. The challenge was either to climb 3,500m to the summit of the Rinjani volcano, or build and renovate two health clinics in Bandung. The aim of this programme is to bring improved health and hygiene to 400,000 people, including 25,000 mothers and their babies.

"This trip has been about surpassing your limits in order to contribute to a greater cause - the team spirit was amazing and the scenery so striking."

Alexis, RB Greece
Global Challenge Participant

Universal Children's Day Successes



Assistance after Typhoon Haiyan

RB was Save the Children's first corporate partner in the Children's Emergency Fund in 2007 and we continued to support the fund in 2013.

Our **£500,000** donation helps the charity to respond the moment disaster strikes, which is critical because time saves lives in an emergency.

We gave an additional **£50,000** when Typhoon Haiyan struck the Philippines in November 2013 to help Save the Children provide urgent medical assistance, food, water, shelter, hygiene kits and temporary schools.

RB also donated **£1 million** in 2013, to support the merger of Save the Children and Merlin, an international aid charity with an experienced network of front-line medical experts, combining their expertise to increase reach and impact.



Better Design



Sustainable innovation	14
Every drop counts	15
Cutting carbon by targeting product use	16
Small packaging changes all add up	17
Smart design for safety	18

Sustainable innovation

Our focus on sustainable innovation has resulted in the launch of products that are more sustainable than their predecessors and is paving the way for increasingly disruptive innovation.

Aiming for a third of revenues from more sustainable products by 2020, our innovative products will have less impact on the environment over their lifecycle.

In 2013, we measured our total net revenue¹ (NR) from more sustainable products for the first time. A total of **£230 million (3%) of our total Q1-Q3 NR came from more sustainable products**. Depending on the regulatory environment, products can take a few years from concept to launch but we've made a good start. With the help of our global network of **Sustainability Champions**, we've put in place the processes and systems that are creating a culture of sustainable innovation, combining high performance with sustainability.

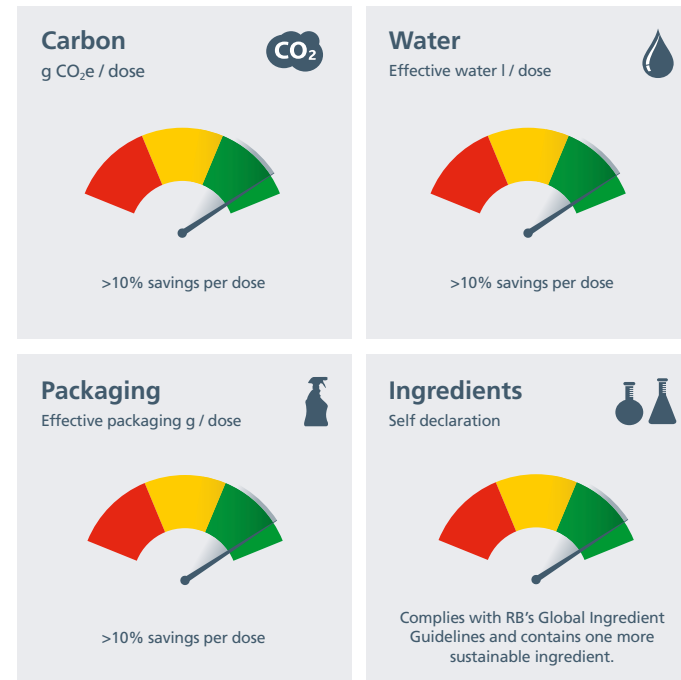
Our **Sustainable Innovation Calculator** guides the development of low-impact products. It is an online tool that shows the lifecycle impacts of different ingredient or packaging alternatives in real time, helping development teams to choose more sustainable options. In 2013, we assessed over 500 new product innovations with the tool.

We monitor NR from these launches by product and country to measure performance against our 2020 goal and our methodology is subject to independent assurance.

We can also report progress to our customers, strengthening our partnerships with retailers that share our commitment to sustainability.

What is a 'more sustainable' product?

A product development that performs better on at least one environmental aspect (compared to the product it replaces or the category average) and no worse on any others. The threshold for defining 'better' performance on each aspect is outlined below. We assess performance via our Sustainable Innovation Calculator (see page 27 for more details).



Our 2020 Net Revenue Goal

1/3 of our net revenue will come from products that are significantly more sustainable than their predecessors while continuing to deliver excellent product performance.

Our Performance

£230 million NR from more sustainable products (Q1-Q3 2013)

Our Better Design Targets

- 100% of product innovations assessed by our Sustainable Innovation Calculator
- 100% compliance with our Global Ingredient Guidelines and committed to 100% transparency
See page 28 for our progress
- 100% responsibly sourced natural raw materials

¹ Excluding RB Pharmaceuticals

Every drop counts

Water is plentiful in some regions but increasingly scarce in others. It is therefore essential to target our water efficiency action where it is most needed – not just on the products that use the most water but where there is least water to go around.

Our 2020 Goal

1/3 less water impact per dose

Our Performance

Reduced by 9% in 2013 per dose

As a result, we not only measure our total **water use footprint**, but we also measure our total **water impact footprint**, which takes account of water scarcity as well as overall use.

To calculate water impact, we apply water scarcity factors to the water use at each lifecycle stage to calculate the litre equivalents. This means that a litre used in a water scarce location will have a bigger impact (i.e. higher scarcity value) than a litre used where water is abundant (see page 41).

The split of our water use and impact footprints across our products' lifecycle is below. These show that when water scarcity is taken into consideration, the consumer use of our products becomes the key driver of our overall water impact.

The largest contributor to our consumer use water impacts is body and handwashing. Other important drivers are use of our antiseptic liquids and automatic dishwashing products.

Our 9% reduction in water impact per dose in 2013 is due to a variety of factors which include shifts in our portfolio to less water intensive products, increased use of less water intensive packaging and efficiencies in dishwashers and washing machines that result in less water use.

2013 Water Use Footprint

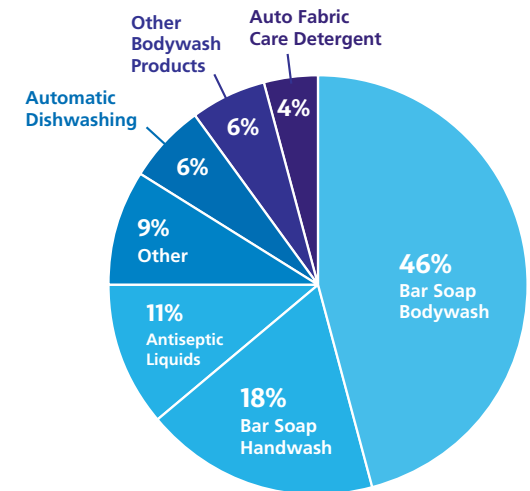


2013 Water Impact Footprint (water use + water scarcity)



Water Impact

(% contribution by consumer use category)



Employees making a splash

The enthusiasm and ideas of employees have been instrumental in achieving our excellent performance on water use. We received hundreds of entries from over 50 RB locations in response to our Big Splash challenge – a global innovation challenge on the use of water in our products and production processes. Many ideas are now being tested and implemented across our sites. For example, in Mira, 19 out of 70 ideas were implemented after being evaluated by our engineers.



Cutting carbon by targeting product use

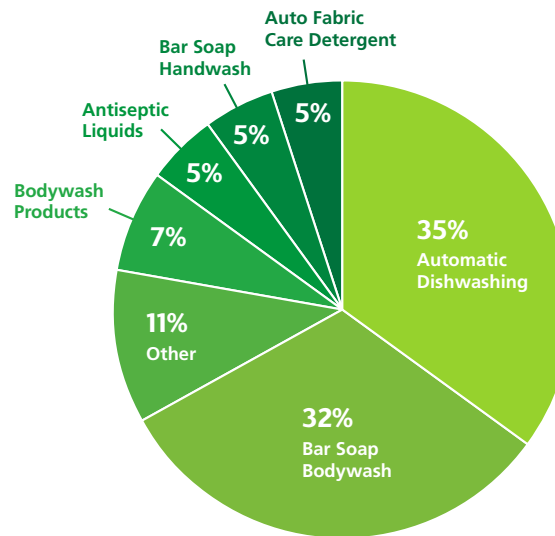
We are building on our success in reducing carbon emissions in pursuit of our new target to cut our footprint by a third by the end of the decade.

Our 2020 Goal	Our Performance
1/3 reduction in carbon footprint per dose	Reduced by 7% in 2013 per dose

Our aim is to reduce emissions per dose across the product lifecycle, targeting the products and uses which have the biggest impact. As with water, consumer use of our hygiene products is the biggest contribution to emissions. Automatic dishwashing products have the biggest impact, while bar soap for bodywashing also has a big carbon footprint because of the energy used to heat water.

Our total lifecycle carbon emissions per dose fell by 7% in 2013. Key drivers of this reduction include the increasing efficiency of dishwashing and washing machines plus changes in our product portfolio resulting in a greater proportion of products with lower/no carbon impacts during consumer use.

Carbon Footprint from Consumer Use Phase (% contribution by consumer use category)



2013 Carbon Footprint



Less is more

Vanish Power O₂ Concentrate with Active Oxygen delivers twice the power in a compact package. Launched in Brazil as part of Walmart's End-to-End sustainability programme, this new concentrate has lower environmental impacts across its lifecycle and uses fewer resources to produce. To best realise the efficiencies of this concentrated format, Vanish is using social media to encourage correct dosage and recycling behaviours.

Over the course of a year the new product will save:

3,765 kg
of packaging

9,387 kg
of CO₂ emissions

1,647 kg
of waste to landfill



Small packaging changes all add up

Because we sell millions of products a day, a small re-design can add up to huge savings.

We are always looking for ways to improve our packaging.

For Finish Quantum, we switched from a cardboard box to a stand-up pouch in certain markets, **reducing packaging by over 70%** and saving almost 500 tonnes of packaging in 2013. Even better, sales have grown in this category, where consumption was flat, partly because the stand-up pouch gives consumers a handy, waterproof, resealable pack that is easy to store and use.



"To deliver our vision and purpose, we need to design products fit for a resource-constrained world."

Sharon James, SVP R&D

Almost 500 tonnes of packaging saved in 2013



Less plastic. Less mess.

Harpic Hygienic Plus is a new toilet block that sits inside the bowl. We've removed extra plastic where bacteria could hide with this more hygienic design. Even with 30% less plastic, it is three times as long as our standard cageless block, giving it better coverage, releasing foam and fragrance at every flush.



30% less packaging

Smart design for healthy living

This new electrical mosquito repellent device, launched in Brazil as SBP, is designed to be smaller and more efficient.

With refills that are 15 times smaller than classic diffusers, the device is discrete and reduces water impact and carbon emissions as well. It's a great example of how our innovation combined with consumer research can transform a product, improving the consumer experience and environment profile. The device has a smart auto-off capability so users don't have to unplug it in the morning. And the design protects children because they can't get to the refill which must be ejected using force that only adults can apply.

For more information on our product safety and stewardship programmes, see page 27.



Responsible natural raw materials sourcing

This year we rolled out our new Policy & Standard on the Responsible Sourcing of Natural Raw Materials (see page 33). An important focus was palm oil.

Palm oil sourcing

RB fully supports the goal of no deforestation or degradation of peatlands, forests and other environmentally valuable areas associated with palm oil cultivation.

We are a member of the Roundtable for Sustainable Palm Oil (RSPO) and are working with suppliers and others in the industry so that the world's major palm oil supplies come from sustainable sources.

Our approach has three key elements:

1. Engaging with suppliers – to improve transparency of our supply chain and ensure compliance with our requirements. In 2013, RB became a member of TFT, the international NGO working to help companies and their suppliers deliver responsible products.
2. Purchasing certified sustainable palm oil – by the end 2014 we will have bought GreenPalm certificates to cover all of our palm oil purchases.
3. Advocacy – working to raise awareness of sustainable palm oil.

"We are pleased that RB chose to join our organisation and work with us to help improve the traceability and sustainability of their palm oil supply chain."

Scott Poynton
TFT Founder and
Executive Director



Better Production



Resource-wise & people-safe	20
Mission zero waste	21
Beyond the factory	22
Our safety record – it's no accident	23

Resource-wise & people-safe

We are improving production processes to increase efficiency, meet our social standards and keep our people safe.

In 2013, our performance on water use reduction in manufacturing beat our 2020 target six years early. As a result we have increased our target from a 10% reduction to 35%. Our factory in Mira, Italy, which produces liquid and powder products, contributed to this result by reducing water use by two-thirds in 2013. The reduction was due to process changes that allowed for water to be reused, the installation of water meters in all areas of the factory, the rationalisation of the water distribution system and high levels of employee engagement.

Energy per unit of production fell over 5% in 2013, with carbon emissions per unit down by nearly 4%. We continued to see results from our energy efficiency programme including a reduction in energy use of over 10% at our largest site, Nowy Dwor, where they recovered waste heat and upgraded their compressed air system. Overall, we stepped up activity on water and waste, succeeding in reducing water per unit by 19% and waste per unit by almost 3%.

Performance per unit of production (% reduction in 2013)



Our key Better Production targets for 2020

Safety

- Zero fatalities and serious accidents in all sites and continued reduction in lost work day accident rates
- 100% manufacturing sites with certified environmental, health and safety (EHS) management systems

Social

- 100% compliance with RB social standards

Environment

Water

- 35% reduction in water use (per unit of production)
- Meet minimum wastewater standards

Waste

- Zero waste to landfill
- 10% reduction in waste (per unit of production)

Energy and emissions

- 35% reduction in energy consumption (per unit of production)
- 40% reduction in greenhouse gas emissions (per unit of production)
- Effectively carbon neutral manufacturing

See page 28 for detailed performance

- On plan

Mission zero waste

We have set a new target to avoid sending any manufacturing waste to landfill by 2020. Twenty-two plants have already achieved this ambitious target, including Nowy Dwor in Poland, our biggest manufacturing site.

Nowy Dwor makes a wide range of hygiene and home products in various formats. But despite the scale and complexity it achieved zero waste to landfill milestone in 2013.

The plant found innovative ways to recycle, turning waste from the water treatment plant into organic fertiliser and setting up designated waste holding areas. Training programmes emphasised the need for waste segregation, which is key to avoiding landfill. The reward is not just joining 21 other sites that are landfill-free, but also financial savings of approximately £300,000 per year.

We have developed waste guidance, introduced waste audits and created a network of waste champions who will help other sites to identify their waste streams and find ways to reduce, reuse and recycle.

Stopping landfill is just a start. It's better to stop waste occurring in the first place and all sites have to reduce waste per unit of production by 10% by the end of 2020.



"Our commitment to mass produce without sending anything to landfill is really a huge undertaking."

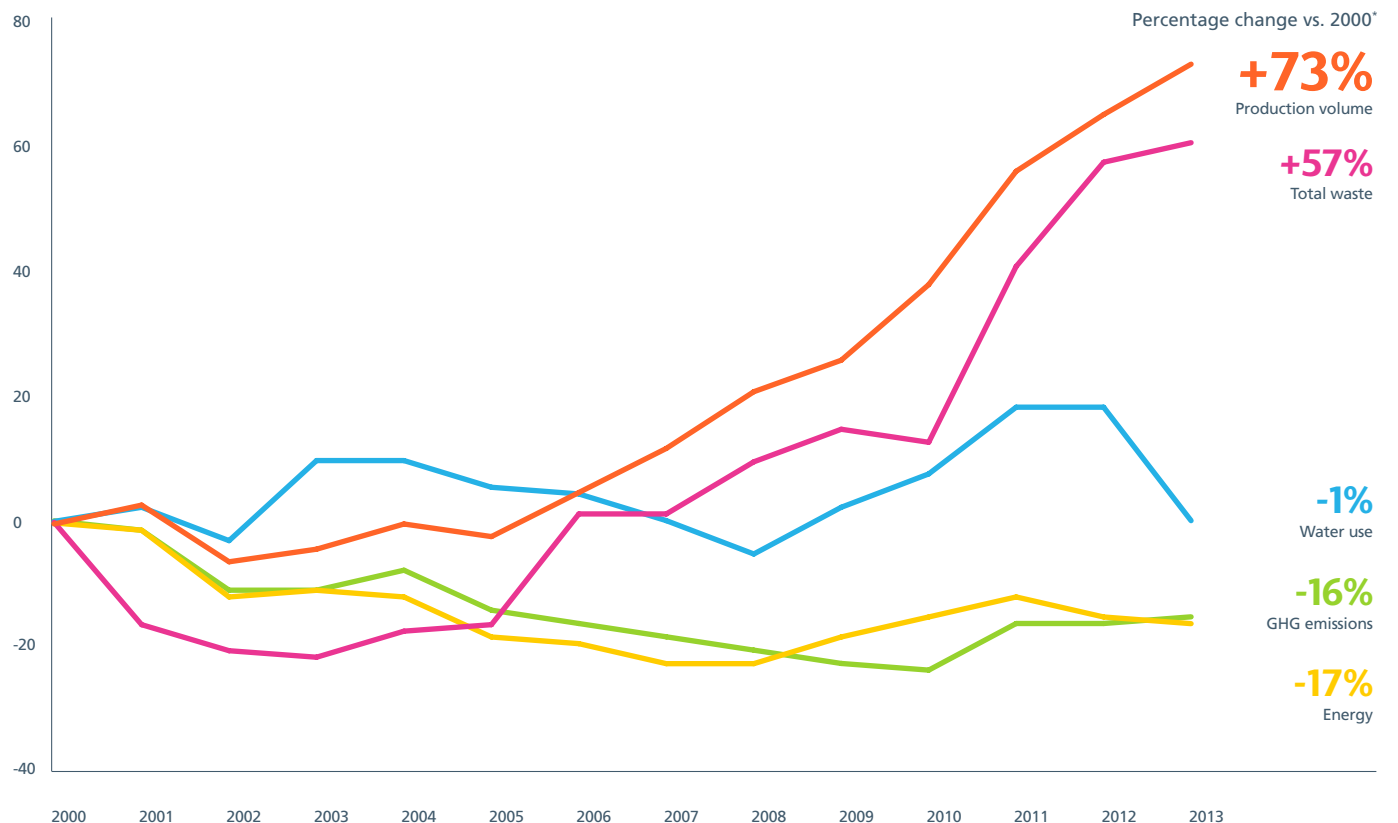
"I am proud to say that we are already making great progress."

Amedeo Fasano
EVP, Supply

Decoupling business growth from environmental impacts

Decoupling means making more with less; saving resources and reducing emissions even as the business grows. Since 2000, our production has grown by 73% but total energy and emissions are down by approximately 17% and 16% respectively and we used slightly less water in 2013 than in 2000. With waste tonnage increasing, we'll be stepping up our effort in 2014.

Decoupling growth from impact



* Production, energy, GHG emissions, water and waste data from factories and warehouses only. See page 30 for details.

Beyond the factory

One day in October, our supply manufacturing director in Thailand led 30 staff from the Bangpakong condom plant out into the muddy waters of Bangpu Nature Education Center.

They were planting 1,000 mangrove tree saplings which will protect the coastline as well as absorbing approximately 30 tonnes of CO₂ a year.

This was just one of the factory's many sustainability achievements in 2013:

- Their focus on safety culture saw the introduction of a safety week with the concept '7 days of recognition, 365 days committed to safe work'.

- Employees' commitment to social responsibility led them to support 300 children with activities to improve health and hygiene, including a session on handwashing with the Dettol team.
- Winning our global innovation challenge on water. In response to the Big Splash challenge (see page 15), an employee suggested a process efficiency that reduced water used for rinsing by 12%.



Tree planting

Continuing our tree planting project in Canada means our global production remains effectively carbon neutral.

In 2013 we planted
351,000 trees



Since 2006 a total
of 6.15m trees

Offsetting a total of
2.14 million tonnes of



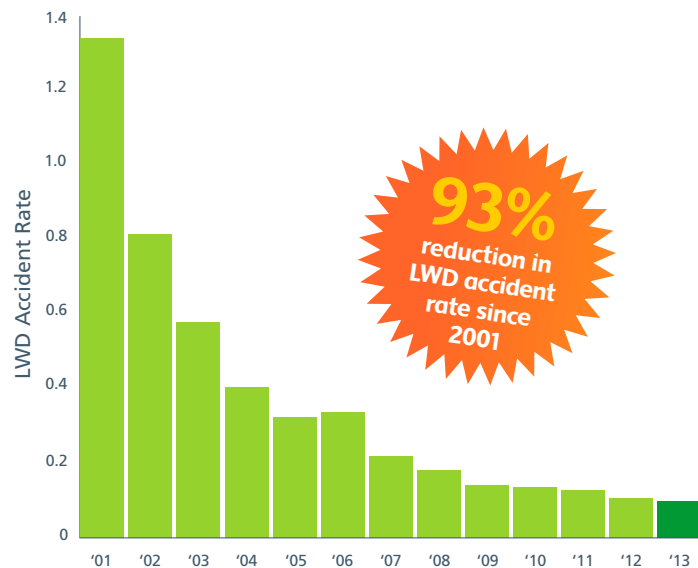
Our safety record – it's no accident

A strong safety culture continues to reap rewards in the form of fewer accidents and less lost time.

Safety is a key part of responsible production and employee behaviour is the magic ingredient in our improved safety record. Since 2001 we have reduced our lost work day (LWD) accident rate by 93%, with a further 5% reduction in 2013.

Continued progress is a result of a continuing focus on a strong safety culture across our production network.

Sustained Safety Progress



Highlights in 2013 include:

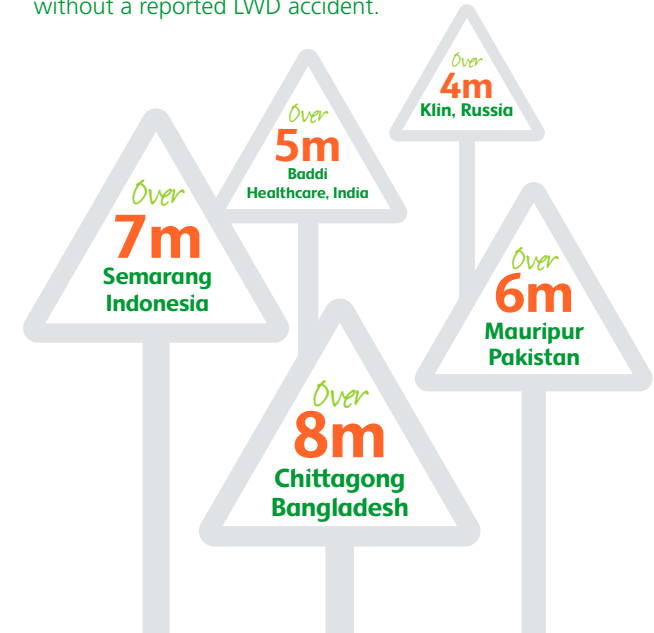
- Our site in Mauripur, Pakistan has worked over 6 million hours since a LWD accident and has arranged over 1,200 hours of safety training.
- Our site in Klin, Russia, has worked over 4 million hours since a LWD accident. It has extended the safety theme into the community, with a factory rescue team that does volunteer fire fighting in local villages. This won a 'Moscow Region Governor Award' for 'Safe Environment'.
- Our factory in Tuzla, Turkey celebrated their 'safety starts with me' day on Universal Children's Day, raising over £1,000 for Save the Children. Since 2001, their LWD accident rate decreased by 77%.



Universal Childrens Day saftey celebration in Tuzla

Celebrating safe working hours

Five sites have recorded more than 4 million hours without a reported LWD accident.



Embedding our social standard

Our Global Manufacturing Standard for responsible production (GMS) has seven fundamental principles based on the International Labour Organization (ILO) and other widely accepted international standards. They include avoiding child and forced labour, supporting fair terms and conditions of employment, the right to freedom of association, and ensuring health, safety and environmental protection.

In 2013, we rolled out the updated GMS, continued auditing our sites for compliance, and launched a new supplier compliance monitoring programme. We audited nine of our sites and included 650 key suppliers in our compliance programme. See page 32 for more details.

Our Performance & Approach



Progress and Performance	25
Materiality for Sustainability Reporting	34
Managing Sustainability	35
Approach to Reporting	37
Reporting Criteria	38
Independent Assurance on Selected Sustainability Data	43
GRI Content Index & Application Level	44

Progress and Performance

Our people

Remuneration and benefits

Total remuneration changes in line with the number of employees and our remuneration policy that encourages, reinforces and rewards the delivery of outperformance. The total remuneration paid to employees in 2013, including Directors, was £1,132m (2012: £1,050m). We seek to offer competitive remuneration that reflects both market conditions of the country in which people are based and their abilities and skills. Benefits (in addition to salaries, bonuses and long-term incentives) vary regionally and nationally and generally include items such as: pension plans; health, accident and disability insurance; medical care plans, and annual health checks. Our international transfer policy is an integral part of RB's commitment to developing globally experienced senior leaders, and support is provided to employees and their families to ensure a smooth international transition.

Additional benefits help them face the challenges of moving to a foreign country, and compensate people for differences in pay and living costs.

A strong yet diverse culture

We work hard to attract, develop and retain highly capable and talented employees who can work together to produce outstanding results. We encourage diversity of nationality and international mobility among employees. This contributes to the generation of innovative ideas by applying new and different experiences and viewpoints across our business.

The Company operates within a corporate diversity and inclusion policy framework which is reviewed by the Executive Committee. The Davies recommendation for boards is to have a minimum of 25% female representation by 2015, and the draft EU Directive which sets an objective for EU-listed companies to achieve 40% representation of 'the under-represented sex' among Non-Executive Directors (by 2018 for listed companies), are aspirations which the Company considers carefully as part of its recruitment exercises. The Board composition was 10% female at 31 December 2013.

The Board reiterates its view that ensuring, facilitating and driving diversity in its broadest sense has helped propel the Company's success to date. It remains its practice to ensure that the Company's Top40 executive roles, in particular, are open to fresh thinking and must

include personnel from different global backgrounds who bring new ideas to the table. The Company values its freedom to retain a group of people who, collectively, have the skills, experience and insight to achieve the Company's global vision and objectives and to achieve long-term value growth without being hindered by a gender quota which does not take cognisance of the specific situation and culture of the Company.

At 31 December 2013:

- 10% of the Board is female and 50% are non-UK nationals;
- 11% of the Executive Committee is female and 78% is non-UK nationals; and
- 14% of the Top40 managers is female and 66% is non-UK nationals.

All RB employees understand their personal responsibility for ensuring that diversity policies and programmes are actively pursued, implemented and maintained. The Company does not set specific targets in absolute percentage terms to deter artificiality in the process; it measures progress year on year to ensure an improving picture on gender balance which contributes to the Company's growth and success.

As at 31 December 2013:

- 42% of the Group's global employees is female; and
- 17% of the Group's Top400 population is female.

A diverse company enables the business to better understand its opportunities and risks and to develop robust solutions to them. We believe that:

- Diversity is clearly much broader than gender. It incorporates diversity of race, thought, experience, skills, understanding, perspective and age and also requires implementation at all management levels.
- Successful companies sell their goods and services to customers regardless of gender, race, ethnic group or religion and a diverse workforce should reflect its customers. A diverse management is more in touch with its customers' demands and staff concerns and provides different perspectives in devising successful business strategies.

- Diversity is a matter of organisational culture largely set by example from the top. Company management that actively considers diversity is better able to support diversity efforts in the rest of the organisation and is equipped to identify the organisation's requirements.

See page 25 of our Annual Report for more about our position on Boardroom diversity.

HR	Units (restated) [^]	2009	2010	2011 [*]	2012	2013
Staff numbers*						
ENA	000s			13.8	13.9	12.5
RUMEA	000s			7.2	7.1	7.6
LAPAC	000s			15.7	13.7	15.1
RB Pharmaceuticals	000s			0.6	0.6	0.7
Other	000s			0.5	0.6	1.2
Total	000s			37.8	35.9	37.1
Remuneration						
Total employee remuneration	£m	860	933	1,062	1,050 ¹	1,132
Diversity[†]						
Nationalities in management – Board	Number at 31 December	6	6	6	6	6
Nationalities in management – Exec Committee	Number at 31 December	6	6	7	7	8
Nationalities in management – Top40	Number at 31 December	14	14	16	14	14
Nationalities in management – Top400	Number at 31 December	47	47	45	44	49
Nationalities in global employees	Number at 31 December	104	104	106	108	106
Women employed – Board	% at 31 December	10	10	20	20	10
Women employed – Executive Committee	% at 31 December	0	0	22	22	11
Women employed – Top40	% at 31 December	8	13	12	16	14
Women employed – Top400	% at 31 December	16	17	14	16	17
Women employed – global employees	% at 31 December	40	40	40	41	42

The Top400 includes the Top40, the Top40 includes the Executive Committee.

2013 global employee data for women and nationalities is based on data for 24,045 global Group employees, which is 65% of the average number of people employed by the Group during 2013.

[^] Restated for the change in reportable geographic segments

[†] Assured by EY

^{*} Assured by PwC as part of the 2013 Annual Report

¹ Restated to exclude net pension scheme interest now included in net finance expense (see page 62 of the Annual Report)

Progress and Performance

Development and training

Development and training is an important part of attracting and motivating talented people. It can help people to achieve their full potential and helps RB maintain our competitive edge. We have an experience-based approach to development, moving our people into new roles and geographies. We support this with people skills and coaching. And these are underpinned with formal training.

We provide site-level, regional, area and global training and awareness programmes on functional competencies and personal skills. For example, around the world in 2013, our training programme provided courses in: leadership; business & organisation; people management & development, marketing, sales, finance and crisis management. Other training programmes include health & safety, environment, quality and preventative maintenance.

Most employees globally have an annual performance development review (PDR) which assesses their skills, ability and performance against personal and business objectives and desired competencies. The PDR process is integrated with how we identify people for further growth and different or more senior roles in the future.

The Group trains and develops its management pipeline through formal training programmes focusing on three areas – leadership skills, functional skills and general skills – and through a deliberate policy of training on the job. Management is international and is trained through rotation in international postings both in countries and in the Group's central functions. Succession planning is a critical management discipline and is reviewed at least annually by the Board and the Executive Committee.

Equal opportunities and diversity

We employ, promote and reward people based on their skills, abilities and achievements, regardless of gender, race or other personal characteristics. We seek to encourage, recognise and reward four core values:

- Achievement
- Ownership
- Entrepreneurship
- Partnership

Business Conduct

Our Code of Conduct sets out the principles and ethical values we want to uphold. It is available at rb.com. Senior managers across the company are required by Internal Audit to report and sign-off on compliance with the Code every year. The Board Audit Committee monitors the findings of this certification process.

Whistleblower Helpline

Our Whistleblower Helpline is a confidential free phone number in each country, operated by an external organisation, which employees can use to report any suspected breaches of our Code of Conduct. Typical issues identified include grievances with managers and allegations of unprofessional behaviour or bullying. All reported issues are investigated by Internal Audit and appropriate action is taken. Depending on the type of issue identified, new policies may be issued, training may be provided and formal warnings may be issued. In some cases, if allegations against an employee have been proven valid by legal and HR, their contract may be terminated. This process is reported to and overseen by the Board Audit Committee.

Human and labour rights

We believe human rights at work are an absolute and universal requirement. In countries where we operate we aim to support progress on human rights issues in accordance with what can reasonably be expected from a commercial organisation. We subscribe to the principal international standards and guidelines for human rights and working conditions, including the United Nations Universal Declaration of Human Rights and the Convention on the Rights of the Child. Our Code of Conduct and Global Manufacturing Standard (see page 32) enshrine our approach to protecting human and labour rights at work.

Our economic contribution

Cash value added

Cash value added is a measure of actual monetary distribution in terms of cash. It is derived directly from the data provided in the Company's Annual Report & Financial Statements 2013. Our cash value added was £4,019m (2012 £3,478m), 80% of which was distributed to employees, shareholders and governments.

Cash value added	2009	2010	2011*	2012**	2013†
Shareholders	648	773	873	1,451	1,271
Employees	860	933	1,062	1,069	1,140
Governments	512	824	861	698	808
Retained in business	1,316	263	668	253	776
Capital providers	4	-8	13	7	24
Total cash value added (£millions)	3,340	2,785	3,477	3,478	4,019

* Assured by PwC in 2011

† Assured by EY

‡ Restated due to restatements in employee costs. Refer to note 1 (page 54) and note 5 (page 62) in the Annual Report for details.

Total carbon and water use footprints

2020 goals (using 2012 baseline)

We have committed to reduce our per dose carbon footprint and per dose water impact by a third and generate a third of our net revenue (NR) from more sustainable products.

2020 TARGET: 1/3 reduction in our carbon footprint per dose

PROGRESS: 7% reduction in 2013

2020 TARGET: 1/3 reduction in water impact per dose

PROGRESS: 9% reduction in 2013

2020 TARGET: 1/3 net revenue from more sustainable products

PROGRESS: £230 million for Q1-Q3 2013

One third less carbon footprint per dose by 2020

Our carbon performance is measured by our total carbon footprint per dose of product against a 2012 baseline (72.06g CO₂e per dose). In 2013, our total carbon footprint was 67.34g CO₂e per dose, a 7% reduction on 2012. Total carbon footprint enables robust and comprehensive calculation of greenhouse gas emissions for the 'cradle-to-grave' lifecycle of RB products and this breakdown is shown on page 16. The system has been developed in general accordance with the requirements and principles of recognised international standards such as PAS 2050:2011 and the GHG protocol, and the methodology and selected data has been assured by Ernst & Young LLP.

One third less water impact per dose by 2020

Our water performance is measured by our total water use footprint (litres) and Total Water Impact Footprint litre equivalents (e litres) per dose of products against a 2012 baseline (6.81 litres per dose and 7.92 e litres per dose respectively). In 2013, our Total Water Use Footprint was 6.35 litres per dose, a 7% reduction on 2012. Our Total Water Impact Footprint was 7.18 e litres per dose in 2013, a 9% reduction on 2012.

Our Total Water Use Footprint and Total Water Impact Footprint enable robust and comprehensive calculation of water use and water impact for the 'cradle-to-grave' lifecycle of RB products. The breakdown of each footprint is shown on page 15. The water use and water impact measurement methodologies have been developed in general accordance with the requirements and principles of the following recognised water accounting guidance document: The water footprint assessment manual: Setting the global standard, (Hoekstra, A.Y., Chapagain, A.K., Aldaya, M.M. and Mekonnen, M.M. 2011). Our methodology has been assured by Ernst & Young.

One third net revenue from more sustainable products in 2020

By 2020, one third of our net revenue will come from 'more sustainable' products as measured by our Sustainable Innovation Calculator (see page 27). Our net revenue from more sustainable products was £230m in Q1-Q3, equivalent to 3% of total net revenue for Q1-Q3 2013 (excluding RB Pharmaceuticals). Our net revenue target will improve our ability to reduce our full lifecycle impacts by translating them into the language of our business. The sustainability team works closely with the finance function to track our net revenue from more sustainable products to help bolster the business case for sustainability. These efforts, supported by performance objectives requiring RB's brands to derive a percentage of their net revenue from more sustainable products, will help ensure that our biggest selling products are more sustainable.

Progress and Performance

Sustainable Innovation Calculator

We use RB's Sustainable Innovation Calculator to determine whether or not a product will be considered 'more sustainable' and have its revenues count towards our net revenue target. The Calculator is a streamlined Life Cycle Assessment (LCA) tool that models the most important environmental impacts of products, including raw materials and consumer use. To count towards our net revenue target, a product innovation must score better in at least one of the following categories without scoring worse in any others:

- Carbon – significant savings (>10%) in grams of CO₂e per dose.
- Water – a significant decrease (>10%) of water impact per dose.
- Ingredients – adhere to RB's Global Ingredient Guidelines and have at least one preferred sustainability credential (Fairtrade or FSC certification, for example).

- Packaging – the product must use less packaging overall or use less virgin packaging material resulting in a significant savings (>10%) in the weight of virgin packaging per dose (after subtracting any post-consumer recycled content).

The tool is also used to assess our product pipeline so we know what changes are likely to affect our Total Carbon and Water Use Footprints over the coming three years as products are launched. A network of Sustainability Champions representing each category in their respective markets has been established across the globe to help embed sustainability into the product development process.

Our approach to product packaging

Packaging is essential to securely and safely contain our products. However, it is a very visible source of waste once the products have been used. Optimising product packaging has several environmental benefits:

- It reduces the raw materials and energy used in manufacturing the packaging.

- It reduces the size and weight of products requiring transport, cutting fuel use per item.
- It can make it easier for consumers to recycle, where facilities exist.
- It reduces the volume of waste packaging generated for consumer re-use, recycling or disposal.

We have a three-pronged approach:

1. Reduce packaging weight.
2. Consider more sustainable materials.
3. Increase recyclability.

As part of this approach, our product developers are encouraged to measure and manage packaging quantities and types through RB's Sustainable Innovation Calculator. In order for a product to be considered more sustainable in relation to packaging and count towards our net revenue target (see page 26) it must use less packaging overall or use less virgin packaging material, resulting in significant savings (>10%) in the weight of packaging per dose (after subtracting any postconsumer recycled content).

Our main packaging materials are:

- Paper and board
- Plastics (mainly PP, HDPE and LDPE)
- Tin plate

Product safety and ingredient removal programmes

Product Safety

Our product safety policy (available at rb.com) ensures safety is an integral part of the product development process. It is our corporate responsibility to consumers, customers and employees and to sound ethical business practices. It is applied to all our products by our global product safety team through a global product safety programme comprising guidelines, standards and procedures and implemented throughout the product lifecycle from conception through market delivery and post launch market surveillance.

Total Carbon and Water Use Footprints 2013 [†]	Units	Raw	Pack	Raw / Pack	Manufacturing	Logistics	Retail	Consumer use	End of life	Total / Average	% Change on 2012
Doses 2013	billions of doses									536.73	
Carbon 2013	total (million tonnes CO ₂ e)	4.79	4.7	9.5	0.49	0.58	0.75	24.15	0.67	36.15	
	g / dose	8.93	8.76	17.69	0.91	1.09	1.41	45	1.25	67.35	-7%
	% split	13%	13%	26%	1%	2%	2%	67%	2%	100%	
Water Footprint 2013	total (m litres)	1,184,826.99	674,298.42	1,859,125.41	7,000.79	12.37	0	1,548,841.24	0	3,414,979.81	
	litres / dose	2.21	1.26	3.46	0.01	0	0	2.89	0	6.36	-7%
	% split	35%	20%	54%	0%	0%	0%	45%	0%	100%	
Water Impact 2013	total (m e litres)	471,723.79	259,279.21	731,003.00	5,630.52	6.64	0	3,115,077.61	0	3,851,717.77	
	e litres / dose	0.88	0.48	1.36	0.01	0	0	5.8	0	7.18	-9%
	% split	12%	7%	19%	0%	0%	0%	81%	0%	100%	

Total Carbon and Water 2012 baseline [†]	Total / Average	
Carbon	total (million tonnes CO ₂ e)	38.02
	g / dose	72.06
Water Use	total (m litres)	3,593,085.83
	litres / dose	6.81
Water Impact	total (m e litres)	4,178,078.48
	e litres / dose	7.92

* Restated see page 38

† Assured by EY

Progress and Performance

The global safety team is a function within our regulatory team and as such ensures products are evaluated based on their intended use and foreseeable misuse within the framework of the applicable regulatory jurisdiction. The safety team works closely with the rest of R&D (global and regional) and across all of our business functions from supply (to ensure the appropriate raw materials are used) to category development (to ensure the appropriate precautions and safety language are provided on the product label and the product is appropriately packaged).

RB's Global Ingredient Guidelines (GIG)

RB has been monitoring and reviewing ingredients for the past 12 years and has been carrying out a range of ingredients removal and restriction programmes outlined in our GIG. We have, in many instances, gone above and beyond regulatory requirements in implementing our GIG. Our objective is to continually improve the environmental and safety profile of our products, by systematically removing specific

ingredients from product formulae and packaging/device component specifications, where alternatives exist. Our GIG is also undergoing a full review to ensure that the most up to date information in terms of safety and environmental impact is used.

Our GIGs combine regulatory, sustainability and safety requirements for generic ingredient groupings, plus specific directions on the use (or the prohibition of use) of specific raw materials/ingredients to assist formulators and other Company employees in the development and marketing of products that meet these commitments. RB also runs training programmes with the R&D, Regulatory and Procurement organisations on the GIG to ensure all staff with responsibilities for selecting or approving ingredients to be used in products are fully aware of our internal policies.

Our R&D colleagues do not actively formulate with ingredients under GIG restriction or ban.

The table below outlines some achievements of our GIG¹.

Ingredients removed from global product formulas

Ingredient	Completion date	Comments
Polyethylene (PE) beads	2018	Removal
Parabens (methyl, ethyl, butyl, propyl, isoparabens)	2013 (EU) 2015 (rest of the world)	Reduction programme (excluding medically licensed products)
Chlorpyrifos	end 2009	
Boron compounds	end 2009	Removal/reduction to meet threshold levels established in the European Union
PVC packaging of household products	end 2009	Healthcare products are excluded from its target as no viable alternatives have yet been identified for some healthcare applications
Fragrance raw materials: Non-GN Geranyl Nitrile (GN)	end 2009 end 2007	
Brominated flame retardants	end 2007	
Formaldehyde-donor preservatives Formaldehyde	end 2009 end 2006	
APES/NPEs	end 2006	
Dichlorvos	end 2006	
Glycol Ethers (Monoethylene series)	end 2006	
Paradichlorobenzene (PDCB)	end 2006	

¹ Note: Through acquisitions the Company can periodically acquire additional products which contain ingredients which may be banned or restricted under the Global Ingredients Guidelines. Those products are then assessed to be brought in line with RB ingredients policy.

Transparency on ingredients

We publish lists of ingredients for our products:

- EU rbeuroinfo.com
- North America and Canada rbnainfo.com
- Australia rbanzinfo.com.au

We also support an educational website, chemistryinyourcupboard.org, which explains more about our ingredients for selected products.

Product quality and consumer satisfaction

We are committed to consistently delivering the highest quality of products. We build in quality at the product design stage and aim to minimise quality risks across our supply chain, so we can stop quality issues before they arise. Our Quality organisation includes global, area, regional and site-level quality assurance functions that oversee and monitor process and product quality. We regularly audit key suppliers to assure and continuously improve the quality of raw materials, components or finished products.

RB is committed to providing consumers with the highest level of quality products. To support this, the role of Consumer Relations is to relay consumer comments and complaints to the organisation to ensure continuous improvement of our products to gain the trust and loyalty of our consumers.

This consumer feedback is continually reviewed for product issue trends and used by our quality teams to help enable continuous product improvement.

RB has a set of global executive reporting routines that enable us to see the level of consumer dissatisfaction compared to the level of products sold, using industry standards of measure (Complaints Per Million Sold) plus we periodically survey additional consumer satisfaction directly during or after their initial contact with our consumer relations centres where on the global system.

In 2013, our consumer complaint level improved by 15% over 2012 which was within our target range.

Environment performance in manufacturing sites and warehouses

Energy use, greenhouse gas and other air emissions

Energy use

2020 TARGET: 35% reduction in energy consumption (per unit of production)

PROGRESS: 5.6% reduction in 2013

In 2012, we set a target to reduce our energy consumption by 35% per unit of production by 2020. In 2013, we reduced our energy consumption by 5.6% using 0.44 gigajoules (GJ) for every 1,000 consumer units (CUs) of production. Our energy and production efficiency programmes and employee behaviours are behind this improvement. For example:

- Compressed air upgrades in Nowy Dwor (Poland), Bangpakong (Thailand), Mira (Italy), Brandon (US), Springfield (US), St Peters (US), Ladenburg (Germany), Baddi HC (India), and Sao Paolo (Brazil).
- Upgrading to more energy efficient lighting, including moves to LED Derby (UK), Tatabanya (HU), Mira (Italy), Nowy Dwor (Poland), Shashi (China), Qingdao (China), and Sao Paolo (Brazil).

Since 2000, we have reduced energy consumption by 52% per unit of production and 17% in absolute energy used.

Greenhouse gas emissions (GHG)

2020 TARGET: 40% reduction in greenhouse gas emissions (per unit of production)

PROGRESS: 3.6% reduction in 2013

In 2012, we set a target to reduce our GHG emissions by 40% per unit of production by 2020. In 2013, we reduced these emissions by 3.6% per unit of production from 2012: down to 0.0385 tonnes of CO₂ per 1,000 CUs. Total emissions from manufacturing and warehouse facilities were 278,664 tonnes of CO₂ equivalent. These emissions are generated directly on-site, through burning fossil fuels for space heating, hot water and process heating or cooling, and indirectly from our use of electricity.

Progress and Performance

As well as improvements in energy efficiency we have made further GHG savings with new technologies and fuels:

- Eleven of our sites use energy from combined heat and power (CHP) plants or more sustainable energy such as biomass and solar power.
- Using biomass fuel for thermal energy generation at our Hosur and Jammu sites (India) and Semarang (Indonesia).

Our total emissions from R&D in 2013 were 9,098 tonnes of CO₂ equivalent, which added to our emissions from manufacturing and warehouse facilities comes to a total of 287,761 as outlined in the table below. This information has also been included in our Annual Report on page 16.

Manufacturing, warehouse & R&D facilities					
GHG emissions by scope [†]		Units	2012	2013	Change vs. 2012
Scope 1	Manufacturing & warehouse	tonnes CO ₂ e	82,893	76,637	-7.5%
Scope 1	R&D facilities	tonnes CO ₂ e	4,260	4,169	-2.1%
Total Scope 1	Manufacturing, warehouse & R&D	tonnes CO ₂ e	87,153	80,806	-7.3%
Scope 2	Manufacturing & warehouse	tonnes CO ₂ e	192,883	202,027	4.7%
Scope 2	R&D facilities	tonnes CO ₂ e	4,468	4,929	10.3%
Total Scope 2	Manufacturing, warehouse & R&D	tonnes CO ₂ e	197,351	206,956	4.9%
Scope 1 & 2	Manufacturing & warehouse	tonnes CO ₂ e	275,776	278,664	1.0%
Scope 1 & 2	R&D facilities	tonnes CO ₂ e	8,728	9,098	4.2%
Total GHG Emissions	Manufacturing, warehouse & R&D	tonnes CO ₂ e	284,504	287,761	1.1%
GHG intensity		Units	2012	2013	Change vs. 2012
Production volume		1000 CUs	6,901,165	7,236,435	4.9%
Intensity measurement		tCO ₂ per 1000 CU	0.0412	0.0398	-3.5%

* Office data and MEDCOM fleet emissions not available but we will endeavour to include in 2014 reporting

† Assured by EY

Greenhouse gas emissions from energy use in manufacturing and warehouses have fallen by 51% per unit of production since 2000, and absolute emissions are 16% lower.

We participate in the Carbon Disclosure Project (CDP) on an annual basis. In 2013 we scored 99% for disclosure and level B for performance. See cdproject.net.

Other emissions

Common industrial air emissions such as sulphur and nitrous oxides (SO_x and NO_x) and particulates (dust) are not generally emitted from our manufacturing facilities. Where present, these emissions are below applicable legal requirements.

Water management

Water usage

2020 TARGET: 35% reduction in water use (per unit of production)

PROGRESS: 19% reduction in 2013

In 2012, we set a target to reduce our water use by 10% per unit of production by 2020. In 2013, total consumption was 5.6 million m³, a decrease of 15% on 2012. In 2013 we used 0.78m³ of water for every 1,000 consumer units (CUs) of production, 19% less than in 2012, beating our target of 10%.

In 2013, we amended our 2020 target to a 35% decrease in water use per unit of production. The decrease in our water consumption per unit of production during 2013 was due to process improvements. For example:

- Rationalising the water distribution system and using sand filters to cut water cleaning time in Mira (Italy)
- Reduced frequency of washing gravel filters in Nowy Dwor (Poland).
- Upgraded line cooling system and installed water safe filters to social areas in Tatabanya (Hungary).
- Raising awareness of water consumption in Shashi (China).
- Installed and started to use water controlling system in dipping processes in Qingdao (China).
- Increased water reuse and recycling in Mira (Italy), Baddi HC (India), Hosur (India), Cali (Colombia), Atizapán (Mexico), Qingdao (China), Jammu (India) and Sitarganj (India).

In 2013, we drew water from the following sources:

- Public supply – 3,239,219 m³
- Private wells – 1,856,230 m³
- Rivers – 332,720 m³
- Other (including tankers) – 195,144 m³

Since 2000, our water use has decreased by 43% per unit of production, and total water use has decreased by 1%.

We participate in the CDP Water Disclosure initiative.

Water discharges

We have reduced water discharges by 60% per unit of production and decreased by almost 30% in absolute terms since 2000. In 2013, our water discharges decreased by 31% per unit of production. We discharged 0.34m³ of water for every 1,000 CUs of production in 2013 and 2.46m³ in total. We discharged 0.0197kg of Biological Oxygen Demand (BOD) for every 1,000 CUs of production and 0.0726kg of Chemical Oxygen Demand (COD) per 1,000 CUs of production. Of the water we used in 2013, 44% was discharged into water systems. The remaining 56% went into our products, was in liquid and solid wastes sent off site, or evaporated from cooling and process systems.

In 2013, we discharged water via the following methods:

- Sewers (treated before discharge) – 1,132,203m³
- Sewers (untreated before discharge) – 541,185m³
- Other e.g. rivers (treated before discharge) – 477,822m³
- Other e.g. rivers (untreated before discharge) – 298,832m³

Waste management

2020 TARGET: Zero waste to landfill

PROGRESS: 19% waste to landfill in 2013

In 2012, we also set a target to send zero waste to landfill by 2020. As of 31 December 2013, 22 of our manufacturing sites (48% of all manufacturing sites) have achieved zero waste to landfill status – up from four at the end of 2012. In 2013, 19% of our total waste went to landfill (a reduction of 31% since 2012).

Progress and Performance

2020 TARGET: 10% reduction in waste (per unit of production)

PROGRESS: 3% reduction in 2013

In 2012, we set a target to reduce our waste intensity by 10% by 2020. In 2013, we decreased waste per unit of production by 2.7%, in line to meet our target. We created 0.0117 tonnes of waste for every 1,000 CUs of production in 2013. Our total waste in 2013 increased by 2% while our total production increased by 5%.

Projects that have contributed to our decrease in waste per unit of production and diversion from landfill in 2013 include:

- Engaging employees to drive waste segregation.
- Reviewing waste streams to identify opportunities to reuse and recycle.
- Encouraging incineration with energy recovery as alternative to landfill.
- Using waste water treatment sludge as organic fertiliser (Nowy Dwor).

- Processing waste at cement manufacturer (Chittagong).

We have reduced our total waste generation by 9% per unit of production since 2000 but the total waste volume has increased by 57%. Our long-term strategy is to continually reduce waste generation and improve our recycling of waste arising from our operations, especially hazardous waste, which is more difficult to recycle and dispose of.

Our hazardous waste was 0.0016 tonnes per 1,000 CUs (16% of our total waste) and is disposed of in accordance with local legislative requirements. Our hazardous waste increased by 2.4% per unit of production and 7% in absolute terms compared to 2012. Continual improvement of our waste management since 2000 has reduced hazardous waste generation by 27% per unit of production.

Factories and warehouses, energy, water and waste	Units	2000	2001	2002	2003	2004	2005	2006	2007	2008	2009	2010	2011	2012 [†]	2013 [†]	% Change vs. 2012	% Change vs. 2000
Production volume	million CUs	4,187	4,313	3,951	4,035	4,175	4,107	4,417	4,709	5,061	5,285	5,789	6,517	6,901	7,236	4.9%	72.8%
Energy usage																	
Per unit of production	GJ per 1,000 CU	0.9166	0.8623	0.8454	0.8333	0.7979	0.7539	0.6948	0.6298	0.5830	0.5849	0.5539	0.5147	0.4676	0.4415	-5.6%	-51.8%
Absolute usage	million GJ	3.84	3.72	3.34	3.36	3.33	3.10	3.07	2.97	2.95	3.09	3.21	3.35	3.23	3.20	-1.0%	-16.8%
GHG emissions																	
Per unit of production	tonnes CO ₂ e per 1,000 CU	0.0791	0.0747	0.0739	0.0726	0.0722	0.0688	0.0626	0.0569	0.0520	0.0484	0.0435	0.0424	0.0400	0.0385	-3.6%	-51.3%
Absolute emissions	thousand tonnes CO ₂ e	331.4	322.2	292.0	293.1	301.3	282.7	276.6	267.9	263.3	255.8	251.8	276.5	275.8	278.7	1.0%	-15.9%
Fresh water usage and discharge																	
Water use – per unit of production	m ³ per 1,000 CU	1.357	1.336	1.382	1.515	1.472	1.443	1.324	1.191	1.060	1.081	1.044	1.011	0.959	0.777	-18.9%	-42.7%
Water use – absolute	million m ³	5.683	5.763	5.461	6.112	6.146	5.926	5.847	5.607	5.363	5.714	6.044	6.589	6.616	5.623	-15.0%	-1.0%
Water discharge – per unit of production	m ³ per 1,000 CU	0.844	0.849	0.905	0.973	0.876	0.863	0.779	0.707	0.587	0.604	0.563	0.527	0.493	0.339	-31.2%	-59.8%
Water discharge – absolute	million m ³	3.532	3.660	3.577	3.924	3.657	3.546	3.441	3.329	2.970	3.190	3.259	3.435	3.405	2.457	-27.8%	-30.4%
Waste*																	
Total waste generation – per unit of production	tonnes per 1,000 CU	0.0129	0.0104	0.0108	0.0105	0.0106	0.0108	0.0122	0.0115	0.0115	0.0116	0.0104	0.0114	0.0120	0.0117	-2.7%	-9.1%
Total waste generation – absolute	thousand tonnes	53.95	44.99	42.76	42.30	44.31	44.52	53.83	54.17	58.45	61.19	60.15	74.46	83.14	84.80	2.0%	57.2%
Hazardous waste generation – per unit of production	tonnes per 1,000 CU	0.0022	0.0104	0.0013	0.0013	0.0014	0.0012	0.0012	0.0011	0.0008	0.0010	0.0010	0.0013	0.0015	0.0016	2.4%	-27.3%
Hazardous waste generation – absolute	thousand tonnes	9.10	7.22	5.21	5.41	5.64	5.08	5.17	5.11	4.25	5.06	6.05	8.20	10.65	11.43	7.3%	25.6%
Total waste sent to landfill (inc. hazardous waste)	% of waste sent to landfill	39%**	39%	40%	39%	37%	32%	30%	33%	33%	27%	25%	26%	28%	19%	-31.0%	-50.8%

Warehouses included in table from 2012 to match internal targets. R&D GHG emissions are now found on page 29.

* Exclusions – Johannesburg Waste 2000-2011

** % landfill based on 2001 data

† Assured by EY in 2012-2013

Progress and Performance

Environment, health & safety management systems

In 2012, we set a target for all manufacturing sites to have implemented functioning EHS management systems externally certified to ISO 14001 and OHSAS 18001 by 2020 and committed to reporting annually on our progress. Despite working internally to achieve this goal by the end of 2013, as of 31 December 2013, 70% (62% in 2012) of our factory sites, where we have overall management responsibility, held ISO 14001 certification and 66% (53% in 2012) held OHSAS 18001 certification. All our factory sites are currently working towards developing certified systems by the end of 2014. Our Group H&S management system continues to be certified as compliant with OHSAS 18001.

During 2013, to further strengthen our existing EHS management systems, we:

- Commissioned external EHS legal compliance reviews at more than 23% of our factory sites and expanded our audit programme to include R&D sites.
- Developed a new mandatory Process Safety standard applicable to our higher risk chlorine gas handling and aerosols manufacturing sites.

- Developed and rolled out a new mandatory EHS management standard covering our stand-alone R&D sites.

Environmental and occupational safety prosecutions and fines

Two of our factories were fined during 2013 for EHS issues. The fines totalled £10,000. In both cases, action has been taken to address the identified gaps.

Significant spills

In 2013, there were no spills from our manufacturing sites which had a significant impact on the environment. We collected information on eleven minor spills which involved a range of materials.

Transport and logistics

We use transport contractors to move our products by road, sea, rail and sometimes air. As we do not have operational control of these companies we do not have direct control over their greenhouse gas emissions but we work with them to improve efficiency and reduce emissions.

Most of our impact is through road transportation. To reduce the environmental impact (and cost) of product transport, we are working with our transport contractors to:

- Combine our truck journeys with those of other companies, so that a truck is carrying products on both the outward and return legs of its journey, reducing 'empty' running.
- Combine 'less than a truck load' (LTL) shipments.
- Move freight off roads to rail, inland waterways and inland sea shipping.

This will increase our efficiency and reduce our total carbon footprint, contributing to our carbon reduction goals.

Biodiversity

Six RB sites are close to protected biodiversity areas (e.g. nature conservation zones) or an area of high biodiversity value.

- Derby (UK) – A small brook runs through the site.
- Hull (UK) – The site is within two kilometres of a Site of Special Scientific Interest (Humber Estuary).
- Nowy Dwor (Poland) – The site's wastewater discharge point is close to a 'Nature 2000' area.
- Porto Alto (Portugal) – The site is close to a nature conservation area.
- Redruth (UK) – The site is approximately three kilometres from a Site of Special Scientific Interest – the West Cornwall Bryophytes.
- Sitarganj (India) – The Jim Corbett National Park is approximately 25 kilometres from the site.

Tree planting

We launched our tree planting programme in 2006 and since then we've been buying land, and planting trees which will become forests that will last for at least 100 years.

In that time the trees will absorb an amount of carbon dioxide equivalent to the emissions from the energy used in our manufacturing. The trees effectively offset the carbon dioxide emissions we can't yet avoid even though we constantly strive to improve energy efficiency and to use renewable energy where we can in our factories.

Since 2006, we have planted and looked after 6.15 million trees. In 2013 we planted 351,000 trees and acquired 30km² of new land to extend our total holdings for the programme to over 100km². This is equivalent in area to over 390,000 tennis courts.

We manage this land in-house rather than using an external offsetting company, which means we're responsible for making sure enough trees survive and grow, including replacing the ones that don't make it. Challenges include frost, high winds, and damage by voles and we have developed several initiatives to help us manage these issues.

Our methodology for estimating the carbon that will be sequestered by the trees planted in our RB trees programme is aligned to the Intergovernmental Panel on Climate Change's (IPCC) Good Practice Guidance (GPG) for Land Use, Land-Use Change and Forestry (LULUCF) Projects (2003). Our methodology (as at December 2012 and unchanged in 2013), used for estimating the carbon sequestered by trees planted between 2006 and 2010*, and its alignment with the IPCC GPG for LULUCF Projects have been subject to independent assurance by PricewaterhouseCoopers LLP in 2013 (see rb.com/our-responsibility/trees).

EHS Systems / Regulatory		2009	2010	2011	2012	2013
Management systems						
Manufacturing sites covered by ISO 14001	total	18	18	25	28	32
Total manufacturing sites for environment data	total	43	43	48	45	46
Manufacturing sites covered by ISO 14001	%	42%	42%	52%	62%	70%
Manufacturing sites covered by OHSAS 18001	total	15	20	23	26	33
Total manufacturing sites for health & safety data	total	44	48	49	49	50
Manufacturing sites covered by OHSAS 18001	%	34%	42%	47%	53%	66%
Internal Audit EHS function (Inc. data audits)	%	44	31	16	20.4	24
Production and fines						
Environmental prosecutions	number	0	1	0	0	0
Environmental fines	number	0	4	2	2	1
Health & Safety prosecutions	number	1	1	0	0	0
Health & Safety fines	number	1	3	1	1	1

Tree planting		2006	2007	2008	2009	2010	2011	2012	2013
Total trees planted (cumulative)	number of trees	45,000	665,000	2,258,000	3,629,000	4,563,000	5,428,000	5,799,000	6,150,000
Total emissions to be offset by programme (cumulative)	tonnes CO ₂ e	276,593	544,450	807,799	1,063,574	1,315,370	1,591,890	1,865,214	2,140,193
Total area acquired to date	kilometres								100km ²

* Trees planted since 2010 are subject to an interim simplified estimation method, which will be updated to the method described above once the current planting cycle is complete (i.e. in 2014).

Progress and Performance

Health & safety

Approach

We seek to prevent accidents, injuries and occupational ill health at all locations under our control. Our occupational health & safety (OHS) policy, objectives, responsibilities and control arrangements are available at rb.com.

2013 Performance

During 2013:

Our Group occupational health & safety management system was audited and recertified as compliant with OHSAS 18001. This gives assurance that Group-level H&S control arrangements are suitable and sufficient.

No work related deaths have occurred at RB sites during 2013.

No legal prosecutions were brought against RB factory, LC and R&D sites.

Our factory, LC and R&D site lost work day (LWD) accident rate fell by over 5% compared to 2012, and there were no work related fatalities at these sites during 2013. Since 2001 our LWD accident rate has been reduced by 93%. We make some assumptions when calculating working hours (used for our LWD accident rate data). See Reporting Criteria on page 38.

Responsible supply chain management

Our supply chain

Our worldwide supply chain includes thousands of businesses providing us with everything from raw materials and packaging, through logistics and warehousing, to office supplies. Some of our suppliers are large, multinational companies with substantial business and ethical conduct programmes of their own. Smaller, local companies – for example in our emerging markets areas – may not have such formal conduct programmes in place, but they can still be excellent suppliers. We do not have a formal policy on preferring locally based suppliers. Supplier selection includes quality, cost, location and compliance to our Code of Conduct and Global Manufacturing Standard for responsible production (GMS).

Our focus areas

Our responsible supply chain programme focuses on the following groups of suppliers:

- Third party manufacturers
- Raw material suppliers
- Packaging suppliers

These supplier groups have been selected on the basis of the potential for sustainability risks, the proximity to our brands, importance to our business operations and spend. Our areas of focus are reviewed annually.

Responsible production standards

Our requirements

Our Global Manufacturing Standard for responsible production (GMS) outlines the minimum labour, health & safety and environmental standards we expect our suppliers to meet in their production of goods and services for RB. Our requirements are organised around seven principles, which reflect international and industry standards such as the International Labour Organisation's Fundamental Conventions:

1. No child labour. Limitation of work by young workers.
2. No forced labour.
3. A safe and healthy working environment.
4. Freedom of association.
5. No discrimination. Equal opportunities and rights.
6. Reasonable terms and conditions of employment.
7. Protection of the environment.

Progress in 2013

Following the review and refresh of our GMS last year, our focus in 2013 was to roll out our supplier compliance monitoring programme and further enhance our own site compliance programme.

First, we communicated our updated GMS requirements to our key suppliers and began rolling out our more detailed contractual requirements. We then asked 650 of our key suppliers to participate in our risk-based supplier compliance programme, which consists of the following stages:

- Self-assessment of compliance
- Risk assessment
- Audit
- Corrective action

We manage our supplier compliance programme via the industry leading ethical information platform, Sedex. Suppliers are able to complete a self-assessment of compliance in Sedex and also upload their ethical audit reports into the system. The benefit of this that they can then easily share these details with several customers, reducing the burden of needing to respond to multiple varied customer requests for information and/or audits.

We assess suppliers on the basis of the information they provide in Sedex, plus the inherent risks associated with their location of operation and business sector. High risk suppliers are asked to undertake an independent third party ethical compliance audit.

In 2013, we launched a pilot supplier audit project. We selected 30 key high risk suppliers for inclusion in this pilot and unannounced independent ethical compliance audits were scheduled at each of these suppliers' facilities. The audits follow industry guidelines (SMETA guidelines) and we will be working with suppliers to ensure corrective actions are implemented within appropriate time scales. We are also committed to recognising ethical audits carried out for other customers, provided they meet our minimum audit criteria, to help reduce the burden for suppliers.

In addition to our supplier compliance programme, we also have our own site compliance programme. Each year all of our sites complete a self-assessment of compliance with our GMS and we also have a rolling unannounced independent GMS audit programme. In 2013, we conducted nine independent GMS compliance audits at our own facilities, bringing the total audits carried out since our programme began in late 2012 to fifteen. We work closely with the sites to ensure non-compliances are addressed and closed within appropriate timescales.

Health & Safety	Units	2001	2002	2003	2004	2005	2006	2007	2008	2009*	2010*	2011*	2012†	2013†
Lost work day accident rate (LWD AR)**	per 100,000 hours	1.34	0.815	0.577	0.404	0.324	0.338	0.22	0.182	0.142	0.136	0.127^^	0.105^^	0.099
Employee fatalities	number	(1)^	0	0	0	0	0	0	0	0	0	0	1	0
Contractor fatalities	number	1	0	0	0	0	1	0	0	1	3	0	0	0
Severe accidents***	number	8	1	5	2	5	5	2	2	1	2	0	1	1

* Assured by PwC in 2009-11

† Assured by EY in 2012-2013

** At manufacturing, warehouse and R&D sites

*** A severe accident is any permanent disability, including loss of sensory or motor dexterity e.g. loss of a fingertip

^ Suspected suicide

^^ Restated 2011 and 2012 figures due to restatement of accident numbers at two factory sites

Progress and Performance

On top of our site and supplier compliance monitoring programmes, senior and middle managers from across our R&D, Supply and Corporate Affairs functions continued to include GMS discussions, reviews and audits as part of their visits to our own and supplier sites and reported issues back to the Global Sustainability team.

We also continue to participate in the AIM Progress initiative. AIM Progress is backed by a group of consumer goods manufacturers working to promote responsible sourcing practices and sustainable production systems, while also seeking to reduce the burden for suppliers through collaboration and the harmonisation of approaches. For example, in 2013, we supported a supplier training event in Dubai which was attended by several of our suppliers. This event was designed to help raise awareness of the principles and importance of responsible production.

Further information on our responsible production programme can be found in our Sustainability Guide for Suppliers (rb.com/sustainability).

Responsible sourcing of natural raw materials

We are committed to ensuring the natural raw materials used in our products and packaging are produced in a manner that meets or goes beyond applicable laws and regulations, respects human rights, safeguards health & safety, protects the environment, does not cause deforestation, and generally supports the contribution of business to achieving sustainable development.

Our Policy & Standard on the Responsible Sourcing of Natural Raw Materials apply to all natural raw materials used in products and product packaging that are produced by or on behalf of RB, including at both company owned/managed facilities and those facilities owned/managed/operated by suppliers, contractors and subcontractors. Our Global Sustainability team set the standards and provide guidance on implementation.

Our Supply function is responsible for implementing the Policy & Standard.

The Policy & Standard can be accessed via rb.com/our-responsibility

The key requirements for natural raw materials

They must be from sources that:

- Are managed in compliance with all applicable environmental, labour, health & safety laws and regulations and ILO Fundamental Conventions¹;
- Do not contribute towards the deforestation or degradation of peatlands of any depth, primary forests² or High Conservation Value areas as defined by the HCV Network³;
- Are managed in accordance with all applicable tenure and use rights, including the respect of indigenous people's and local communities' rights;
- Are not using toxic chemicals (as listed by the Stockholm (POP) Convention)⁴;
- Do not use fire to prepare land for replanting and/or waste disposal;
- Are managed in a manner that protects biodiversity and ecological processes; and
- Actively seek to utilise previously cleared and/or degraded land rather than natural forests. Plantations should optimise the use of agricultural land where appropriate, not put indirect pressure on forests through overuse of agricultural land in an area.

Any short-term exceptions to this policy must be signed off by the CEO and accompanied by a time-bound plan to ensure compliance.

Monitoring compliance

We include suppliers of key natural raw materials, such as those of palm oil or board, in our compliance monitoring programme. Natural raw materials are selected for inclusion in our programme on the basis of the sustainability risks associated with these materials, volumes purchased and proximity to RB brands. For new acquisitions, we review natural raw materials purchased and use the criteria above to determine inclusion in our programme to ensure long term compliance.

Our compliance monitoring programme includes a range of activities such as:

- Traceability & responsible sourcing compliance questionnaires;
- Supplier engagement (e.g. supplier visits, meetings & assessments); and
- Independent audits.

Our Sustainability Guide for Suppliers provides suppliers with details on our requirements and compliance monitoring programme (see rb.com/sustainability). We also continue to roll out detailed compliance requirements in our supplier contracts.

Working with our suppliers

We are dedicated to working with our suppliers to ensure responsible sourcing of natural raw materials. We understand that in some regions or countries, particularly where there are complex and informal supply chains, reliably confirming compliance may be a difficult, complicated and lengthy process.

We are committed to working with our suppliers to address any issues identified and ensure plans are in place to address these. We value an open and honest approach to any instances of non-compliance, and a genuine commitment to correct those non-compliances in an appropriate time frame.

We believe that working with suppliers while they address non-compliance by their own suppliers or internally may be a better long-term solution than immediately de-listing them. However, if mutually acceptable solutions cannot be reached within appropriate time scales, we may be required to suspend our business relationship until a satisfactory solution can be found

Raw materials table

Top 5 raw materials used	Unit	2010	2011*	2012†	2013†
Total amount	million metric tons	0.97	0.99	0.85	0.86
% that is salts, organic matter, hydrocarbons, acids, minerals and metals	%	85	85	90	88

† Assured by EY in 2012-2013

* Assured by PwC in 2011

¹ www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm

² Primary forest is a forest ecosystem with the principal characteristics and key elements of native ecosystems such as complexity, structure, and diversity and an abundance of mature trees, relatively undisturbed by human activity. Human impacts in such forest areas have normally been limited to low levels of hunting, fishing and harvesting of forest products. Such ecosystems are also referred to as 'mature', 'old-growth', or 'virgin' forests.

³ 'High Conservation Value Areas' refers to the areas necessary to maintain or enhance one or more High Conservation Values (HCV), where a HCV is a biological, ecological, social or cultural value of outstanding significance or critical importance. Specific definition of the six HCV categories is provided in our standard for the Responsible Sourcing of Natural Raw Materials available on rb.com

⁴ The Stockholm Convention on Persistent Organic Pollutants lists 22 organophosphates such as DDT which signatory countries agree to cease making and using other than in specific exceptional cases. POPs can be very widely distributed by wind, they are slow to biodegrade and tend to build up in animal tissue.

Materiality for Sustainability Reporting

Our approach

Following Accountability's 5-Part Materiality Test (see www.accountability.org) and the GRI Technical Protocol on Applying the Report Content Principles (see globalreporting.org), we carried out a detailed assessment of the most material sustainability issues for our business and our stakeholders (see page 36) in 2011 as part of our sustainability strategy refresh process. We used the 5-Part Materiality Test to help us identify the full range of sustainability issues affecting RB and its stakeholders. We update the full list of sustainability issues and revise our prioritisation annually based on RB's strategy and external developments.

Sources we use as part of this process include:

- Issues identified through our existing policies and commitments and by internal stakeholders.
- Employee and consumer sustainability surveys.
- Reviews of key customer, NGO, competitor, peer, regulatory and trade association sustainability concerns.
- A literature review to identify the key sustainability megatrends likely to affect RB.

Drawing on the methodology outlined in the GRI's Technical Protocol, we then prioritised these issues, taking into account the following criteria:

a) Importance to RB:

Risks or opportunities from an issue (including potential for long term or short term impact, the likely severity and business criticality of impacts); and/or

b) Importance for stakeholders, determined by:

1. Stakeholder perception of RB's impacts on the topic.
2. Expectations regarding transparency on the topic.
3. Diversity & range of stakeholders interested in the issue.

This materiality assessment process is refreshed annually and is managed by the Global Sustainability team and overseen by our Internal Audit team.

Strategic sustainability priorities

The aspects the Group has identified are common to many fast moving consumer goods (FMCG) companies with well-known brands and are essentially determined by the Group's sectors and the products the Group manufactures and sells. The Group's strategic priorities therefore remain:

- To achieve continual improvement in our overall sustainability performance, focusing on those issues where we can make a significant difference including global health and hygiene, sustainable product innovation, greenhouse gas emissions and water impact; and
- To manage our business in a socially and ethically responsible manner.

We report on the majority of these issues in this report. Where necessary, we have improvement programmes in place at Group, regional and/or local levels. We feel confident that none pose a material risk to the business in the short term.

RB's key sustainability topics

Environment

- Energy
- Greenhouse gas emissions
- Natural raw material sourcing
- Packaging
- Pollution (including contaminated land)
- Sustainable product innovation
- Waste
- Water

Social

- Consumer behaviour change
- Employee engagement
- Health & Safety
- Human rights
- Hygiene and illness prevention
- Labour practices
- Product stewardship
- Responsible supply chain
- Transparency on products

Governance

- Bribery & Corruption
- Corporate Governance

Managing Sustainability

Overview of RB's sustainability policies and positions

RB is governed by a corporate responsibility framework comprising our Code of Business Conduct plus policies, control arrangements and reporting. Policies are available on rb.com, and include:

- Environmental Policy
- Occupational Health & Safety Policy.
- Global Manufacturing Standard (GMS) Policy and GMS Detailed Requirements (for more information, see page 32)
- Responsible Sourcing of Natural Raw Materials Policy (for more information, see page 33)
- Product Safety Policy
- Animal Testing Policy
- Whistleblower Policy
- Anti-Bribery Policy

Our environmental commitment

RB is committed to running its business in an environmentally sound and increasingly sustainable manner. We recognise that our processes and products have both direct and indirect environmental impacts and we seek to achieve continuous improvement in our environmental performance with respect to those impacts. We are committed to using energy and natural resources wisely, eliminating and minimising waste where practical, and re-using and recycling where it is sensible to do so. Our policies and programmes look beyond the activities under our direct control to the impacts of our products across the whole lifecycle.

Our commitment to occupational health & safety

RB is committed to: the health, safety and welfare at work of its employees; complying with applicable health & safety legal requirements; and the continual improvement of its health & safety control arrangements and performance.

Specifically, the Group is committed to providing and maintaining:

- Control of the health & safety risks arising from work activities.
- A safe place of work with safe means of entry and exit.
- Safe plant, equipment and systems of work.

- A safe and healthy working environment.
- Arrangements for the safe use, handling, storage and transport of articles and substances.
- Necessary information, instruction, training and supervision to protect safety and health at work.

Governance

Corporate Responsibility Framework

Our Corporate Responsibility Framework (below) comprises our Vision, Purpose and Values, Leadership Charter, our Code of Conduct, and the core Group policies, control arrangements and reporting arrangements that govern how we conduct our business in the area of sustainability.

Code of Conduct

We have made our updated Code of Conduct policies and training programme available in 20 core languages to ensure that employees worldwide receive clear communication and training in this important area.

Governance structures and responsibilities

The Board is responsible for the overall stewardship of the Group, including sustainability and corporate responsibility. The CEO has specific responsibility for these. As part of established management processes, which include performance management systems and appropriate remuneration incentives, senior management reports directly to the CEO on sustainability matters on a regular basis. On the Executive Committee (EC), the EVP Category Development has operational accountability for the implementation of sustainability (bar charitable giving), in partnership with the EVP Global Supply, and supported by the rest of the EC within their respective areas and functions.

In the Category Development organisation, the category group director – sustainability, sourcing & consumer sciences manages the sustainability programme on a day-to-day basis. Our SVP of corporate communications and affairs is responsible for the Group's strategic charitable giving. The R&D function includes the global regulatory affairs (GRA) group, which is responsible for ensuring that our products meet regulatory requirements and are safe for their intended use.

Our SVP human resources (HR) and the global HR function manage the Group's human resources, employee remuneration and benefits, employment practices, organisational development, training and elements of health & safety (e.g. stress management).

The role of the Board

The Board regularly considers and takes account of the significance of environmental, social and governance (ESG) matters and their potential risks to the company, including reputational risks and the opportunities to enhance value that may arise from an appropriate response. The Board undertakes a formal review of ESG matters at least annually.

The Board's Audit Committee undertakes a regular review of the arrangements for, and effectiveness of, risk management and internal audit, including ESG matters and reputational risks. The Annual Report and Financial Statements 2013 contains a report on ESG matters and reputational risk in the Strategic report, on pages 15-17, available on rb.com.

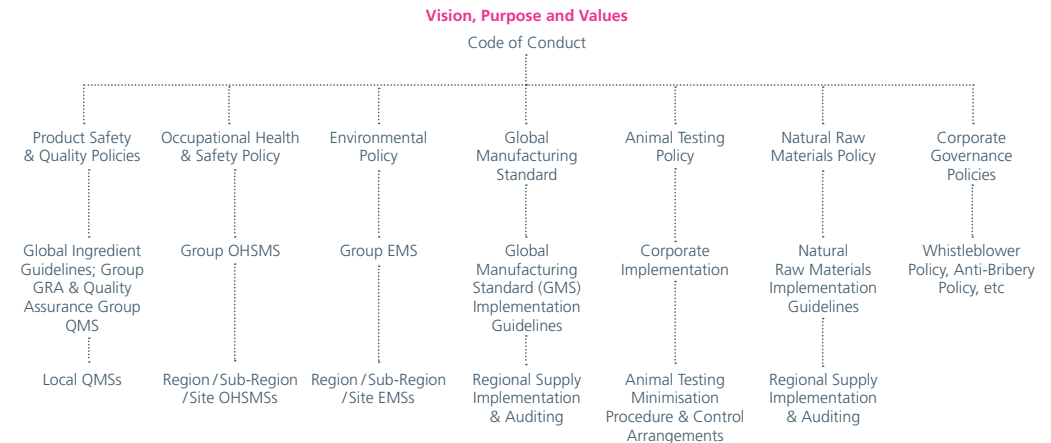
Corporate governance

Details of our corporate governance arrangements, including Board composition, committee structure, internal control, performance evaluation and details of Non-Executive and Independent Directors and their compensation arrangements, are provided on pages 20-34 of our Annual Report and Financial Statements 2013, available at rb.com.

International standards and guidelines

We subscribe to a range of international standards and guidelines relating to sustainability and corporate responsibility, including: the United Nations (UN) Declaration of Human Rights: un.org, and the International Labour Organisation (ILO) eight Fundamental Conventions: ilo.org. The intent of these standards and guidelines, along with others such as the social accountability standard SA8000: sa-intl.org, are incorporated in the Company's Code of Conduct and other elements of our Corporate Responsibility Framework, such as our Global Manufacturing Standard.

Corporate Responsibility Framework



QMS – Quality Management System; OHSMS – Occupational Health & Safety Management System; EMS – Environmental Management System

Managing Sustainability

Stakeholder Engagement

We talk to stakeholders:

- As part of normal, day-to-day business.
- In connection with specific sustainability issues and programmes.
- In the development of our sustainability reporting.

Our key stakeholder groups are:

Workplace

- Employees
- Employee collective representatives (e.g. workers' councils)

Marketplace

- Consumers (the users of our products)
- Customers (the retailers who sell our products to consumers)
- Regulators
- Shareholders and other financial stakeholders
- Suppliers
- Trade associations

Community

- Local communities (local to our manufacturing, R&D, office and distribution facilities)
- National and local government
- Non-governmental organisations (NGOs) and consumer organisations
- Civil society

Employee engagement

Providing an environment and culture in which employees can and want to give their best is a priority. We regularly seek feedback from employees on a variety of matters and in a variety of ways.

This includes departmental meetings, formal feedback tools and electronic surveys, which we carry out all over the world. We translate any opportunities for improvement into plans which are tracked in line with other business critical KPIs.

Although there are some significant differences in the opportunity areas, depending on location and geography, we get consistent feedback that our employees are energised by the scope of their jobs and the freedoms

they have to make decisions, and impact the business. We continue to work on encouraging a more open environment for our employees. Our Top400 leaders are trained in this and a new global programme has been developed for launch in 2014.

External partnerships

We seek to develop industry-wide solutions to shared challenges. In 2013, our work with external partners included:

- Roundtable on Sustainable Palm Oil (RSPO) promoting the growth and use of sustainable palm oil: rspo.org
- TFT is the international non-profit organisation working to deliver responsible product supply chains. As a member of TFT, we will work with them to will carry out a detailed review of our physical palm oil supply chain in order to improve its transparency and to take further action to ensure full compliance with our sourcing requirements.
- Forum for the Future membership and participation in the Sustainability and Brands Roundtable.
- A.I.S.E. (the International Association for Soaps, Detergents and Maintenance Products) in Europe, which co-ordinates the voluntary Charter for Sustainable Cleaning and the Save Energy & Water project: aise.eu
- AIM Progress – a forum of consumer goods companies assembled to enable and promote responsible sourcing practices and sustainable production systems: aim-progress.com
- FRAME funding external research into alternatives to animal testing: frame.org.uk
- CSPA (Consumer Speciality Products Association) Product Care cspa.org

Industry Sustainability Programmes

The Sustainability Consortium

The Sustainability Consortium (TSC) is an organisation of diverse global participants who work collaboratively to develop transparent methodologies, tools, and strategies to drive a new generation of products and supply networks that address environmental, social, and economic imperatives. TSC allows us to work closely with our customers to share sustainability related consumer insights that inform our product innovation process.



The Sustainable Apparel Coalition

The Sustainable Apparel Coalition is a trade organisation comprised of brands, retailers, manufacturers, government, and non-governmental organisations and academic experts, representing more than a third of the global apparel and footwear market. The Coalition is working to reduce the environmental and social impacts of apparel and footwear products around the world.



RB joined SAC with our Woolite brand in April 2013. Woolite is the first laundry brand (and so far the only one) to be a member of SAC.

A.I.S.E Charter for Sustainable Cleaning

We work with A.I.S.E on a number of projects. A.I.S.E is the International Association for Soaps, Detergents and Maintenance Products (aise.eu), which represents, among others, members of the European air freshener products industry.



The Charter is the principal expression of the detergent industry's commitment to sustainability. This voluntary initiative promotes a common industry approach to sustainable improvement and reporting, based on a lifecycle framework.

RB has been a member of the Charter since June 2005 and has contributed to the update in 2010. This major upgrade introduces Additional Sustainability Procedures for products, supplementing the existing Charter Sustainability Procedures for companies. The Charter logo on packaging recognises our commitment and can only be used by companies committed to the Charter.

A.I.S.E Air Fresheners Product Stewardship Programme

We have committed to the A.I.S.E. Air Fresheners Product Stewardship Programme, a voluntary industry initiative established in October 2007 (aise.eu/airfresheners). Companies signing up to the programme must abide by a set of rules which go beyond legislative requirements and aim to promote best practice in the responsible manufacture, consumer communication and use of air fresheners across the EU, Iceland, Norway and Switzerland.



External Recognition and Awards

CDP

We are now a member of the CDP Global 500 Carbon Disclosure Leadership Index, with a score of 99 B.



Dow Jones Sustainability Index

We were listed in the Dow Jones Sustainability Index Europe, earning 'industry best' scores for DJSI indicators within each of broad economic, environmental and social categories. Within these three areas, RB achieved top scores in risk and crisis management, social reporting, product stewardship, corporate citizenship and philanthropy, and environmental reporting.



FTSE4Good

Our performance has led to continued inclusion within the FTSE4Good Index Series. This means that RB has met stringent environmental, social and governance criteria and is positioned to capitalise on the benefits of responsible business practice.



Other awards and recognition

We are rated as 'prime' by oekom research, an 'Industry Innovator' by Climate Counts and the RB brand was rated as 'Triple G' by the Good Relations Group. RB was also recognised with a silver class distinction by RobecoSAM. Out of 818 participating companies, only 65 silver distinctions were awarded.



Approach to Reporting

Our approach to reporting

This report is a key part of our continuing communication with stakeholders on our approach to and management of social and environmental issues and risks. While we seek an open and transparent dialogue with stakeholders, we maintain a focus on material issues where we can make a real difference – which is an integral part of our culture and is reflected in the content of this report.

Audiences for this report

The report is primarily aimed at audiences that have shown most interest in our sustainability management and performance during 2013: employees, trade customers, shareholders/investors, consumers of our products, and advocacy and campaigning organisations with an interest in the impacts of our products, operations or supply chain.

Reporting standards

We continue to report in line with the Global Reporting Initiative's Sustainability Reporting Guidelines – Version 3.0 (GRI G3) globalreporting.org. A GRI Content Index and Application Level Table is provided on page 45 of this report. It provides a navigational tool for those looking for specific information in relation to the GRI's G3 Guidelines and includes the indicators that we have not reported on. In preparing this report, we referenced the criteria and principles of accountability set out in the AA1000 Assurance Standard (2008) and the AA1000 AccountAbility Principles Standard, produced by AccountAbility. We also took into account the evolution of best practice in corporate sustainability reporting. This report is part of an integrated approach to reporting our total performance. We report annually on calendar year data.

Our Annual Report and Financial Statements 2013 (pages 15-17) provide:

- Information necessary for an understanding of the development, performance and position of the business of the Group relating to environmental matters (including the impact of the Group's business on the environment), its employees, and social and community issues in line with the Companies Act 2006.

- Information on our management of Environmental, social and governance (ESG) matters and reputational risk in line with the Association of British Insurers (ABI) Guidelines on Responsible Investment Disclosure. We also publish regularly updated financial and non-financial information, made available on our corporate website, including a corporate responsibility section which contains our latest external benchmarking results, a library of our policies, and copies of our non-financial reports since 2000.

- Information on the Group's annual carbon emissions in line with the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013. The Group's emissions in tonnes of carbon dioxide equivalents (tCO₂e) for the period 1 January 2013 to 31 December 2013 can be found on page 16.

Key Performance Indicators

The Key Performance Indicators (KPIs) that we use in this report are determined by:

- The significant sustainability aspects of our operations (see page 34).
- Independent, external sources of guidance on the indicators that we should be using to measure and report on those significant sustainability aspects (see below).
- The indicators that are most practical to use and add most value across our business and supply chain. The GRI G3 performance indicators provide our main reference for selecting appropriate KPIs; as an international standard using its indicators provides compatibility with other companies. We also take account of the specific guidance on environmental KPIs for UK companies provided in the British Standard BS EN ISO 14031 (Environmental Performance Evaluation Guidelines), and the Environmental KPIs – Reporting Guidelines for UK Business (Department for Environment, Food & Rural Affairs).

This section sets out the principles and methodologies we have used in reporting sustainability performance data for 2013 in our Sustainability Report 2013 ('the Sustainability Report').

Evolution in the scope of environmental performance data presented in this report

Year	Operational factories providing data (%)	Warehouses providing data (%)	R&D centres providing data (%)	Comments
2013	46 (100%)	148 (100%)	8 (100%)	1 factory acquired with Schiff; 2 factories closed; 141 warehouses acquired with MEDCOM (reporting GHG emissions only)
2012	47 (100%)	8 (100%)	8 (100%)	1 new factory reporting for the first time; 1 factory sold; 1 factory closed; 8 warehouses included from 2012
2011	48 (100%)		8 (100%)	Increased number of factories due to SSL acquisition
2010	43 (100%)		8 (100%)	The number of factories and R&D centres remains the same
2009	43 (100%)		8 (100%)	The number of factories remains the same; 1 new R&D centre reporting for the first time
2008	43 (100%)		7 (100%)	1 factory acquired with Adams; 3 new factories reporting for the first time; 4 factories closed; 1 R&D centre closed; 1 new R&D centre reporting for the first time
2007	43 (100%)		7 (100%)	2 factories closed; 1 factory acquired; 1 new R&D centre
2006	44 (100%)		6 (100%)	3 factories closed; 1 new factory opened; 2 factories and 1 R&D centre with BHI
2005	43 (100%)		5 (100%)	1 factory closed
2004	44 (100%)		5 (100%)	2 factories closed
2003	46 (100%)		5 (100%)	1 new factory reporting for the first time; 4 factories closed
2002	49 (100%)		5 (100%)	1 factory sold; 2 factories closed
2001	52 (100%)		5 (100%)	All R&D centres included; 1 new factory reporting for the first time; 1 factory closed
2000	52 (100%)		2 (100%)	Only R&D centres within factory sites included

Reporting Criteria

1 – Our general reporting principles

We have sought to ensure that:

- The reported data accurately reflects our performance and serves the general needs of the Sustainability Report's users.
- The data is meaningful and consistent with the definitions, scope and boundaries stated in these Reporting Criteria.
- Any specific, material exclusions are stated and explained.
- We use consistent methodologies year to year wherever possible and, unless otherwise stated, to allow for sustainability performance comparison over time; any material changes in measurement methodologies versus the previous reporting year are made clear.
- We are clear regarding the use of assumptions we make and regarding our measurement and calculation methods.
- We report transparently such that the Sustainability Report's users can have confidence in the integrity of the data and information we report.

Uncertainty and estimates, assumptions & extrapolations

Every effort has been made to capture all relevant data globally. However it is not always feasible or practical to capture every single item of data across or relevant to our global operations, particularly in connection with some parts of the 'Scope 3' elements of our global products lifecycle carbon and water use footprints which are outside of our direct / indirect control, in relation to our Total Carbon and Water Measurement System. Where we have made estimates, assumptions or extrapolations to cover such occasions we make this clear in the Sustainability Report.

Where it has been necessary to apply assumptions and extrapolations during calculation of our global products lifecycle carbon and water use footprint (i.e. where appropriate primary or secondary data sources have not been available), information or data for assumptions has been sourced in a clear order of priority: e.g. seeking reputable market research before general public available data. Where assumptions and extrapolations have been required, these have been applied in a conservative manner, with the overall aim being to not materially

under or over-estimate the resulting carbon or water impact. The same principle has been applied to the application of emission/water factors for calculation of CO₂e emissions and water use associated with the manufacture of raw and packaging materials, and disposal of waste. Where two or more factors for a material have been available and an uncertainty as to the correct factor to apply has existed, the highest factor in terms of CO₂e or litres per unit of material has typically been applied, to prevent under-reporting.

As a process of continuing improvement, and in line with on going developments of data availability on carbon and water footprints of individual materials, companies and processes for example, the quality of the data used in the carbon, water use and water impact footprint will by nature improve further going forward. Although overall it does comprise the best information currently available, both internally and externally, at the time of reporting.

Restatement of reported data

We undertake continual, year-on-year improvement in our sustainability reporting processes and controls. Where it makes data and performance trends between years more comparable, and/or where any variance in prior years' data has been identified, we restate that data in the Sustainability Report. We do therefore include some revised numbers in our Sustainability Report 2013 for several parameters for several previous years. However, most of those revisions are of less than +/- 1% of the number previously reported for our annual performance of a parameter. Material revisions were made in the following cases:

- Internal reviews during 2013 identified a small number of lost work day (LWD) accidents at two sites that were not previously reported during 2011 and 2012. We have therefore restated our Lost Work Day Frequency Rate (LWD FR) for these years to reflect this revised data.
- We continually improve our global products lifecycle carbon and water use footprint and water impact methodology, data and assumptions. For 2013, we have continued to review the assumptions made around certain consumer use categories, and began focused consumer use research in priority countries, particularly regarding the use of our bar soap for bathing as well as handwashing. Since the consumer use of bar soap has significant carbon and water impacts these changes in assumptions have made material impacts on our global product lifecycle footprints.

Therefore to ensure comparability of performance from the baseline year these revised assumptions regarding bar soap have been backdated. Consequently, we have restated figures previously reported for the 2012 baseline lifecycle carbon, water use and water impact footprint to enable these to be comparable with the 2013 figures and going forwards.

Reporting boundaries

Our Sustainability Report 2013 provides data and information for the period 1 January 2013 to 31 December 2013 across all Reckitt Benckiser Group plc companies globally, as follows:

- Environment: 46 manufacturing facilities, eight stand alone R&D centres and 148 warehouses over which we had operational control at the start of 2013; and, in terms of our global products lifecycle carbon and water use footprint, the 'Scope 1, 2 & 3' greenhouse gas emissions in terms of carbon dioxide equivalents (CO₂e) and direct and indirect freshwater use (litres) and water impact (e litres) associated with all stages of our global products lifecycle footprint, in line with the principles of PAS2050, the GHG Protocol and the Water Footprint Assessment Manual
- Health & Safety: the 50 manufacturing facilities, 12 stand alone R&D centres and 108 warehouses over which we had operational control for one or more months during 2013 (but excluding our MEDCOM business sites in Ukraine and Belarus for which we do not currently have data).
- HR: all Group companies and facilities as at 31 December 2013, unless explicitly stated.

Due to the shift in reporting timings for 2013 compared to previous years, for some elements of our carbon, water use and water impact footprint it has not been possible to collect and process full calendar year (1 January 2013 to 31 December 2013) volume data (e.g. kgs purchased, litres used, sales volumes etc) in sufficient time to include in the numbers provided in the 2013 Report. Therefore where full year data was not available, data for the period 1 January 2013 to 30th September 2013 has been collected and then scaled up to include the final quarter; or wherever possible end of year projections have been provided by relevant experts within the business (e.g. sales/spend projections).

The rule applied concerning data from new acquisitions / new facilities is as follows:

- Environment: data is included for the first full calendar year of RB ownership/control (e.g. data from a manufacturing facility purchased in November is included from 1 January of the following year).
- Health & Safety: data is included from the date of purchase (e.g. data from a manufacturing facility purchased in November is included from the date of purchase).
- HR: data, as held in the Company's Human Resources database on 31 December of the year being reported is included (e.g. data from a manufacturing facility purchased in November is included).
- Economic: all Group companies and facilities for our financial (calendar) year 2013 (see Basis of Consolidation on page 54 of our Annual Report and Financial Statements 2013).

The rule applied concerning data from site disposals / closures is as follows:

- Environment: data is included up until the last full month of RB ownership/control, as far as practical (e.g. data from a manufacturing facility sold in November is included up to the end of October).
- Health & Safety: data is included up until the date of sale/closure, as far as practical (e.g. data from a manufacturing facility sold in November is included up until the date of sale).
- HR: data, as held in our Human Resources database, on 31 December of the year being reported is included (e.g. data from a manufacturing facility sold in November is not included as at 31 December of that reporting year).

2 – Reporting Specifics and Methodology

2.1 – Environment (from manufacturing, warehouses and R&D where applicable)

Parameter: Energy use at manufacturing and warehouse facilities

- Definition: energy consumption from our global manufacturing and warehouse facilities.
- Scope: energy consumed within the calendar year at facilities under management control of the Group; including the energy consumed by Combined Heat and Power (CHP) plants.

Reporting Criteria

- Units: gigajoules (GJ).
- Method: Energy data is collected using Entropy, the Company's EHS database. To ensure consistency this can be reported in the same units as the invoiced quantity. This is then converted to kWh using standard factors. The final stage is conversion to GJ.
- Source: Data is taken from on-site or third party meter readings or invoiced quantities. Consumer units are reported by the sites to Group using Entropy.

Consumer units are measured at the site. The following measurement methods have been identified (though more methods may be in place):

- Automatic scanning of labels on the production line.
- Counting the number of cases at the end of the production line.

The number of consumer units produced is fed into the JD Edwards system (linked to the financial reporting system).

A consumer unit is defined as: the normal unit of product purchased by the end-consumer (e.g. a single box, bottle, can). A case of products produced at a factory will normally contain several consumer units (e.g. six aerosols in a case = six consumer units). Where several consumer units are combined together into a single pack (e.g. promotions/gift packs), each individual consumer unit is reported. To avoid double counting, if the site combines consumer units into a single pack it should only report each consumer unit if they are made on site – any consumer unit produced in another site should not be reported as the other site would have already reported these.

Parameter: Greenhouse gas (GHG) emissions from energy use in manufacturing and warehouse facilities

- Definition: greenhouse gas (GHG) emissions arising from energy consumption at our global manufacturing and warehouse facilities, in carbon dioxide equivalents (CO₂e). Where GHGs comprise, in line with the GHG Protocol Corporate Accounting and Reporting Standard (WRI & WBCSD, 2004), the six gases listed in the Kyoto Protocol (carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); and sulphur hexafluoride (SF₆).
- Scope: Scope 1 and Scope 2 CO₂e emissions from energy consumption within the calendar year at manufacturing and warehouse facilities under the management control of the Group.

- Units: tonne CO₂e.
- Method: calculated by multiplying the reported energy quantities in kWh by the conversion factors derived from the most recently currently available international sources outlined below and local factors where available.
- Source: CO₂e emissions are calculated using internationally recognised methodologies from the WRI/WBCSD Greenhouse Gas Protocol (GHG Protocol) and International Energy Authority (IEA), with the addition of IPPC to account for CH₄ & N₂O.

Parameter: Greenhouse gas (GHG) emissions from energy use in R&D

- Definition: greenhouse gas (GHG) emissions arising from energy consumption at our global R&D facilities, in carbon dioxide equivalents (CO₂e). Where GHGs comprise, in line with the GHG Protocol Corporate Accounting and Reporting Standard (WRI & WBCSD, 2004), the six gases listed in the Kyoto Protocol (carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); and sulphur hexafluoride (SF₆).
- Scope: Scope 1 and Scope 2 CO₂e emissions from energy consumption within the calendar year at R&D facilities under the management control of the Group.
- Units: tonne CO₂e.
- Method: calculated by multiplying the reported energy quantities in kWh by the conversion factors derived from the most recently currently available international sources outlined below and local factors where available.
- Source: CO₂e emissions are calculated using internationally recognised methodologies from the WRI/WBCSD Greenhouse Gas Protocol (GHG Protocol) and International Energy Authority (IEA), with the addition of IPPC to account for CH₄ & N₂O.

Parameter: Water consumption at manufacturing and warehouse facilities

- Definition: water consumption at our global manufacturing and warehouse facilities.
- Scope: water consumed on-site, within the calendar year, inclusive of operational water consumption, water included in our products and domestic water use at facilities under management control of the Group.
- Units: cubic metres.
- Method: this is collected using Entropy. The quantities

can be reported in units to suit the user and are automatically converted into cubic metres.

- Source: this is extracted from internally managed databases derived from direct meter readings or third party meter readings and invoiced quantities.

Parameter: Water discharges at manufacturing and warehouse facilities

- Definition: water discharged from our global manufacturing and warehouse facilities.
- Scope: water discharges arising from our facilities under management control of the Group, excluding water reuse and recycling and water used on-site for irrigation purposes.
- Units: cubic metres.
- Method: this is collected using Entropy. The quantities can be reported in units to suit the user and are automatically converted into cubic metres.
- Source: this is extracted from internally managed databases and where possible this information is based on invoiced quantities or direct measurement. Where discharges are not metered, or are partially metered, water balance assumptions are made by the reporting site.

Parameter: Total waste at manufacturing and warehouse facilities

- Definition: total non-hazardous and hazardous waste generated from our global manufacturing and warehouse facilities.
- Scope: waste materials generated from our facilities within the calendar year (excluding construction and demolition wastes), under management control of the Group and removed from site for either recycling or ultimate disposal by third party waste contractors.
- Units: metric tonnes.
- Method: using Entropy all wastes are reported and, where required, the quantities are converted to metric tonnes. Volumes of liquids are converted to metric tonne using an assumed density of 1 (i.e. 1 cubic metre is 1 metric tonne).
- Source: this data comes from internal or third party databases and is derived from invoiced quantities / direct measurement, derived from waste transfer notes.

Parameter: Waste to landfill from manufacturing and warehouse facilities

- Definition: % of total non-hazardous and hazardous waste generated from our global manufacturing and warehouse facilities that is sent to landfill. 'Sent to landfill' is defined as waste which is disposed of by landfill.
- Scope: waste materials generated from our facilities within the calendar year (excluding construction and demolition wastes), under management control of the Group and removed from site for landfill.
- Units: % sent to landfill
- Method: using Entropy all wastes are reported and, where required, the quantities are converted to metric tonnes. Volumes of liquids are converted to metric tonnes using an assumed density of 1 (i.e. 1 cubic metre is 1 metric tonne).
- Source: this data comes from internal or third party databases and is derived from invoiced quantities / direct measurement, derived from waste transfer notes.

Parameter: Hazardous waste at manufacturing and warehouse facilities

- Definition: hazardous waste, defined as: wastes which exhibit one or more hazardous characteristics, (such as being flammable, oxidising, poisonous, infectious, corrosive, ecotoxic) which cause them to be classed or considered by relevant regulators as hazardous. This is a component of total waste and is also reported separately.
- Scope: hazardous wastes materials generated from our facilities within the calendar year (excluding construction and demolition wastes), and removed from site for either recycling or ultimate disposal by third party waste contractors.
- Units: metric tonnes.
- Method: using Entropy all wastes are reported and, where required, the quantities are converted to metric tonnes. Volumes of liquids are converted to metric tonne using an assumed density of 1 (i.e. 1 cubic metre is 1 metric tonne).
- Source: this data comes from internal or third party databases and is derived from invoiced quantities / direct measurement, derived from waste transfer notes.

Reporting Criteria

Note: During the preparation of the 2010 report we identified a data quality issue with one element of waste reporting at our Johannesburg site in South Africa. We removed all waste data from this site from 2010 and all prior years. The issue was not fully resolved for 2011 so we have removed all waste data for 2011 in addition to the prior years. The issue was resolved in 2012 and all Johannesburg waste data has been included for 2012 and 2013 calendar years only.

Parameter: Top five raw materials used

- Definition: quantities of each of the top five materials by volume at the Group's global manufacturing facilities in the financial/calendar year.
- Scope: raw materials used by facilities under management control of the Group; including the materials consumed by onsite CHP, but excluding packaging materials and water (reported separately).
- Units: metric tonnes.
- Method: data is collected using Entropy and, where required, the quantities are converted to metric tonnes. Volumes of liquids are converted to metric tonnes using an assumed density of 1 (i.e. 1 cubic metre is 1 metric tonne).
- Source: data is taken from on-site purchase/inventory records, and/or invoiced quantities.

Parameter: Significant spills (not part of the RB sustainability data assurance process)

- Definition: total number of spills of potentially hazardous materials. Defined as any incident during which, or as a result of which, primary containment measures were breached by a potentially hazardous material (e.g. fuel/chemical release from a drum, intermediate bulk container (IBC) or road tanker).
- Scope: total number of spills recorded in 2013.
- Units: number of spills.
- Method: using Entropy all significant spills are reported and, where appropriate, the material spilled, the volume and any other relevant information.
- Source: this data comes from internal or third party databases, data is input by site level EHS co-ordinators.

Parameter: Biodiversity (not part of the RB sustainability data assurance process)

- Definition: number of sites in or close to any protected biodiversity area.

- Scope: any geographically defined area that is designated, regulated, or managed to achieve specific conservation objectives such as protection of rare or endangered plant species or due to the area being a habitat of a protected animal species.
- Units: an area recognised for important biodiversity features by governmental and non-governmental organisations, often habitats that are a priority for conservation.
- Method: using Entropy all sites in or close to any protected biodiversity areas are reported and, where appropriate, further details are provided.
- Source: this data comes from internal or third party databases, data is input by site level EHS co-ordinators.

2.2 – RB Trees Programme

Parameter: The expected emissions reductions from the trees planted on our land in Canada as part of our RB Trees programme

- Definition: carbon dioxide sequestered by the trees we planted 2006-2010 (Note: the modelling for trees planted 2011-2013 will be carried out in 2013/14 once this planting cycle is completed. In the meanwhile an interim simplified estimation has been used).
- Scope: our approach accounts for carbon transfer between the following:
 - Above-ground biomass
 - Below-ground biomass
 - Above-ground dead organic matter (DOM) pools
 - Below-ground DOM pools
 - Emissions into the atmosphere.

The model does not include the carbon emissions associated with transport or energy used to manage the project as, over the whole project, these emissions are estimated to not be material.

- Units: net tonnes CO₂e sequestered in the pools listed above.
- Method: we have adopted a methodology that is in line with the Intergovernmental Panel on Climate Change's Good Practice Guidance for Land Use, Land-Use Change and Forestry (LULUCF) projects (2003). Our approach to quantifying initial carbon stocks is based on Canada's National Forest Inventory Ground Sampling Guidelines (2004) and we carry out sampling at each of our sites prior to planting. The approach we use for the projection of future

carbon stocks uses this initial carbon stock data and then models tree growth, based on the number and species mix planted, over 100 years. The operational-scale carbon budget model of the Canadian Forest Sector (CBM-CF53) is used for the modelling. The methodology also uses the Tree and Stand Simulator II (TASS II) to derive yield tables based on site indexes and the species planted and this information is input into the model. This method was applied to trees planted between 2006 and 2010. Trees planted since 2010 are subject to an interim simplified estimation method which will be updated to the method described above once this planting cycle is complete in 2013/14. In the absence of the project it can be reasonably assumed that agricultural activities would be net emitters of GHG. However a conservative decision was taken to use a baseline of net zero GHG emissions, which means we only take into account carbon sequestered by the trees we plant and not the emissions that have been avoided by the land use change.

- Source: publicly available information in addition to data gathered through sampling.

2.3 – Total Carbon and Water /Global Product Lifecycle Carbon and Water Use Footprint and Water Impact

Parameter: global product lifecycle carbon footprint

- Definition: the total carbon footprint is a measure of direct and indirect greenhouse gas (GHG) emissions (GHG Protocol Scope 1, 2 & 3 emissions) that RB's global products have, in terms of the amount of carbon dioxide equivalent (CO₂e) GHG emissions associated with their entire lifecycle, during the calendar year (1 January 2013 to 31 December 2013). Where GHGs comprise, in line with the GHG Protocol Corporate Accounting and Reporting Standard (WRI & WBSO, 2004), (carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃).

- Scope: GHG Protocol Scope 1, 2 & 3 emissions (i.e. those associated with the entire lifecycle of the Group's global operations and product portfolio from raw and packaging material supply chain, through product manufacturing, distribution, retail operations and consumer use, to subsequent disposal/recycling of the product and its packaging). This includes the lifecycle GHG emissions associated with products manufactured at the Company's own manufacturing facilities as well as those manufactured by external third party facilities producing products for RB under contract.

- Units: lifecycle CO₂e emissions per unit dose of products sold in the calendar year. A dose is defined as the amount of each individual RB product required to deliver that product's intended service, either for a single use or for a defined period of time e.g. one Finish automatic dishwashing tablet for one load of dishwashing, the recommended number of Nurofen tablets for 24 hours of pain relief, one hard skin file (which lasts for 12 months) etc. In Lifecycle Assessment (LCA) terminology a dose is the 'functional unit' of consumer use. The number of doses per year is not comparable to other measures of sales or production volume used in either our financial or non-financial reporting.

- Method: we have adopted a methodology that is based on and aligned with the principles of:
 - PAS 2050:2011, Specification for the assessment of the lifecycle greenhouse gas emissions of goods and services, Final version, September 2011;
 - Greenhouse Gas Protocol, Corporate Value Chain (Scope 3) Accounting and Reporting Standard, September 2011; and
 - Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard, March 2004¹.

Whilst the core methodology remains consistent year on year, we continue to seek ways to improve data processing, data sources and assumptions. Key improvements in the 2013 calculations have been associated with better consumer use data for certain consumer use categories, through focused consumer use research in priority countries, particularly regarding the use of our bar soap in bathing as well as handwashing.

¹ PAS2050 was developed to assess the carbon footprint of individual goods and services; however RB's Total Carbon and Water Measurement System applies PAS2050 to determine the carbon footprint contribution of all key stages in the product lifecycle of its global product portfolio on an annual basis. As a result of this difference between intended use and the actual use in the context of RB's Measurement System, direct application of every single element of PAS2050 across the whole lifecycle of RB's global products has by nature not been appropriate on every single occasion although overall the Measurement System is in line with the PAS2050 specification.

Reporting Criteria

- Source: our GHG emissions are calculated by multiplying publicly available emission factors by amounts of materials bought, used and disposed of, energy used and distances travelled. Where available, primary data has been sourced directly from RB's established environmental reporting and other business management systems and its suppliers/contractors. Where this has not been available, secondary data has been obtained from sources including publicly available LCA databases, journal articles and sources of industry /product/consumer use data.

We have endeavoured to apply complete coverage of our global emissions based on the scope and boundaries defined in the standards referenced. However, there are limited, specific and (in terms of our global products' overall lifecycle carbon footprint) non-material exclusions from the scope of the reported data, which includes business travel by forms other than air (i.e. in company cars, use of private cars for business travel and train travel) and consumer use of certain very small volume regional products associated with the former SSL business. GHG emissions associated with these sources were estimated for 2006 (business travel) and 2011 (excluded SSL products) and found to be less than 0.1% of our global products' carbon footprint, therefore we exclude these from regular reporting on the basis of non-materiality. No sources were knowingly excluded without initial quantification and assessment to confirm that they did not make a material contribution to the Total Carbon Footprint either in isolation or in aggregate.

Parameter: Global product lifecycle water use footprint

- Definition: the total water use footprint is a measure of direct and indirect water use that RB's global products have, in terms of the amount of water use (litres) associated with the entire lifecycle, during the calendar year (1 January 2013 to 31 December 2013). Where water use comprises rainwater used in growing materials such as paper, cotton, leather i.e. consistent with the principles of 'green' water in water footprinting terms; and freshwater including water abstracted from surface and groundwater, municipal water i.e. consistent with the principles of 'blue' water in water footprinting terms. The use of non-freshwater (i.e. sea water) has been excluded.
- Scope: direct and indirect water use (i.e. those associated with the entire lifecycle of the Group's global operations and product portfolio from raw and packaging material supply chain, through product

manufacturing, distribution, retail operations and consumer use, to subsequent disposal/recycling of the product and its packaging). This includes the lifecycle water use associated with products manufactured at the Company's own manufacturing facilities as well as those manufactured by external third party facilities producing products for RB under contract. Water associated with the provision of energy (i.e. cooling water used in the power station, water used in extraction of oil, coal) has been excluded from the scope of the water use footprint across all lifecycle stages.

- Units: lifecycle water use (litres) per unit dose of products sold in the calendar year. A dose is defined as the amount of each individual RB product required to deliver that product's intended service, either for a single use or for a defined period of time e.g. one Finish automatic dishwashing tablet for one load of dishwashing, the recommended number of Nurofen tablets for 24 hours of pain relief, one hard skin file (which lasts for 12 months) etc. In Life Cycle Assessment (LCA) terminology a dose is the 'functional unit' of consumer use. The number of doses per year is not comparable to other measures of sales or production volume used in either our financial or non-financial reporting.
- Method: the water use measurement methodology has been developed in general accordance with the requirements and principles of the following recognised water accounting guidance document:
 - The Water Footprint Assessment Manual: Setting the Global Standard (Hoekstra, A.Y., Chapagain, A.K., Aldaya, M.M. and Mekonnen, M.M.) 2011

Direct application of every element of the water footprint assessment manual has not been applied to every element of the water use footprint. Most significantly the water footprint concept was introduced as an indicator of freshwater consumed both directly or indirectly to produce the goods and services consumed by any well-defined group of consumers (e.g. individual country or nation) or producers (e.g. a public organisation). The total water use footprint calculates the 'water use' and not 'water consumption'. It is important to understand and distinguish between water use and water consumption. Water 'consumption' refers to the amount of water that does not return to the catchment from which it was withdrawn whereas 'water use', 'water withdrawal' and/or 'water abstraction' does not take into account the water returned to the same catchment. This approach

and deviation from the water footprint definition / methodology is driven by the desire to drive behaviour change across all life cycle stages particularly within product Research & Development, new product innovation and consumer use of products. Water pollution and water quality impacts (referred to as grey water in water footprinting terms) have also not been included in the measurement system and water pollution is monitored through other corporate programmes.

Whilst the basic methodology remains consistent year on year, we continue to seek ways to improve data processing, data sources and assumptions. Key improvements in the 2013 calculations have been associated with better consumer use data for certain consumer use categories, through focused consumer use research in priority countries, particularly regarding the use of our bar soap in bathing as well as handwashing.

- Source: our water use is calculated by multiplying publicly available water factors by volumes of materials and packaging brought, from primary operational water use data collected or sources of product/consumer use data. Where available, primary data has been sourced directly from RB's established environmental reporting and other business management systems and its suppliers/contractors. Where this has not been available, secondary data has been obtained from sources including publicly available LCA databases, journal articles and sources of industry /product/consumer use data.

We have endeavoured to apply complete coverage of our global water use based on the scope and boundaries defined in the standards referenced. However, there are limited, specific and (in terms of our global products' overall lifecycle water use footprint) non-material exclusions from the scope of the reported data, which includes direct water use in transport (e.g. vehicle washing) and waste disposal and consumer use of certain very small volume regional products associated with the former SSL business. These have been excluded from regular reporting on the basis of non-materiality. No sources were knowingly excluded without initial quantification and assessment to confirm that they did not make a material contribution to the total water use footprint either in isolation or in aggregate.

Parameter: Global product lifecycle water impact

- Definition: water use factored to consider local water scarcity.

• Scope: impact associated with direct and indirect water use (i.e. those associated with the entire lifecycle of the Group's global operations and product portfolio from raw and packaging material supply chain, through product manufacturing, distribution, retail operations and consumer use, to subsequent disposal/recycling of the product and its packaging). This includes the lifecycle water impact associated with products manufactured at the Company's own manufacturing facilities as well as those manufactured by external third party facilities producing products for RB under contract. Water impact associated with the provision of energy (i.e. cooling water used in the power station, water used in extraction of oil, coal) has been excluded from the scope of the water impact footprint across all lifecycle stages.

- Units: lifecycle water impact litre equivalents (e litres) per dose of products sold in the calendar year. A dose is defined as the amount of each individual RB product required to deliver that product's intended service, either for a single use or for a defined period of time e.g. one Finish automatic dishwashing tablet for one load of dishwashing, the recommended number of Nurofen tablets for 24 hours of pain relief, one hard skin file (which lasts for 12 months) etc. In Lifecycle Assessment (LCA) terminology a dose is the 'functional unit' of consumer use. The number of doses per year is not comparable to other measures of sales or production volume used in either our financial or non-financial reporting.
- Method: the water impact measurement methodology has been developed in general accordance with the requirements and principles of the following recognised water accounting guidance document:

The Water Footprint Assessment Manual: Setting the Global Standard (Hoekstra, A.Y., Chapagain, A.K., Aldaya, M.M. and Mekonnen, M.M.) 2011

Unlike carbon footprinting, in water footprinting and accounting, understanding the location of the water use is as important (if not more so) as understanding the amount used. This is because the impacts of water are local rather than global as with CO₂. Understanding only the number of litres water used is of limited value if there is no consideration of geographical spread and the water resource availability in the area in which the water is consumed or used. In line with these principles, and to be able to measure, monitor and minimise the impacts to global water resources as a result of the

Reporting Criteria

manufacture and use of RB's global product portfolio, a measure of 'water scarcity' has been incorporated into the water use calculation to numerically account for the global variations in water availability and allow the quantification of 'water impact'.

Water impact litres equivalents (e litres per dose) is calculated by multiplying water use (litres per dose) by a scarcity factor relevant to the location of where the water is used. The location of the water use at each point in the lifecycle has been defined as accurately as possible using supplier names and country of purchase, direct engagement with suppliers, site addresses and financial data regarding sales of finished products per country.

- Source: data regarding water scarcity has been sourced at both a country and watershed level from the Water Footprint Network.

– Chapagain, A.K. and Hoekstra, A.Y. (2004) Water Footprints of Nations, Value of Water Research Report Series No.16, UNESCO-IHE, Appendix XXI

– Hoekstra, A.Y. and Mekonnen, M.M. (2011) Global Water Scarcity: Monthly Blue Water Footprint Compared to Blue Water Availability for the World's Major River Basins, Value of Water Research Report Series No.53, UNESCO-IHE, Appendix IX

In the past 20 years many metrics have been developed to evaluate water scarcity and stress. It is considered that the most recent water scarcity indicators published by the Water Footprint Network, comparing water footprint to water availability, provide the most appropriate measure currently available. However research in this area is rapidly developing and it is anticipated that the methodology and the water scarcity data available will continue to improve and evolve.

Parameter: Percentage of net revenue from more sustainable products

- Definition: Percentage of Reckitt Benckiser Group plc net revenue (excluding RB Pharmaceuticals) attributable to 'more sustainable' products during the period of 1 January 2013 to 31 September 2013.
- Scope: Percentage of Reckitt Benckiser Group plc net revenue (excluding RB Pharmaceuticals) attributable to sales from 'more sustainable' products during the period of 1 January 2013 to 31 September 2013. 'More sustainable' products are measured by RB's Sustainable Innovation Calculator (SIC), a streamlined Life Cycle Assessment (LCA) tool that models the most important environmental impacts of products.

- Units: percentage (%)
- Method: The RB sustainability team compile and validate a master list of 'more sustainable' products from the RB SIC. The list is then provided to the finance team who pull statistical case information and net revenue attributable to 'more sustainable' products from RB's financial management reporting systems by country. The net revenue by country is combined by finance who provide a total net revenue (excluding RB Pharmaceuticals) attributable to 'more sustainable' products. RB finance also provide the Reckitt Benckiser Group plc net revenue figure from which the percentage of net revenue from 'more sustainable' products is calculated.
- Source: Reckitt Benckiser Group plc net revenue figures come from country submissions in the audited financial management reporting systems (these systems are fed from the local country JDE transactional ledger systems).

2.4 – HR Performance

Parameter: Nationalities

- Definition: the number of nationalities in the top-four bands of management of the Group (the Board, the Executive Committee, the Top40 and the Top400) and amongst the 65% of all employees globally for whom data is available, on the last day of the Company's financial year (31 December).
- Scope: all full or part time permanent employees (i.e. excludes contract employees).
- Units: number of different nationalities (i.e. employees' self-stated nationality, as determined in line with the United Nations current list of global countries).
- Method: the number of employee self-stated nationalities. Where an employee states that they have two or more nationalities, the nationality that they state first (or in the case of the Board and Executive Committee, that they asked to be taken as their principal nationality) is the nationality which is used.
- Source: the Group's global HR database system, myRB.

Parameter: Gender split

- Definition: the percentage of female employees in the top-four bands of management of the Group (the Board, the Executive Committee, the Top40 and the Top400) and amongst the 65% of all employees globally for whom data is available, on the last day of the Company's financial year (31 December).

- Scope: all full or part time permanent employees (i.e. excludes contract employees).
- Units: percentage (%).
- Method: percentage – calculated as the number of female employees divided by the total number of employees to give a percentage of the total population for which data is reported (i.e. for the top-four bands of management of the Company and for all employees).
- Source: the Group's global HR database system, myRB.

2.5 – Health & safety at work

Health & safety data comprises the data reported to and by RB's manufacturing facilities, R&D centres and warehouses.

Parameter: Lost Work Day (LWD) Accidents

- Definition: a work-related accident/incident during the reporting period which resulted in an employee (including contract labour/temporary employees) being unable to undertake/complete their duties on the following scheduled work day/shift. This includes work-related travel but excludes travel to and from an employee's normal place of work.
- Scope: covers RB employees (including contract labour/temporary employees) at our manufacturing sites, warehouses and R&D sites over whom we have management control (but not: (i) contractors who visit the facility for a short period of time to complete a specific task such as the repair of a wall or testing of the site's electrical system, over which we do not have management control; or (ii) 'permanent' on-site contractors over which we do not have management control, such as those who may run the site canteen, who manage their own area and staff).
- Units: number of accidents.
- Method: absolute number reported.
- Source: global, facility-level monthly health & safety reporting; and, global, facility-level annual health & safety data reporting/assurance process.

Parameter: Lost Work Day (LWD) Accident Frequency Rate (FR)

- Definition: number of LWD accidents suffered per 100,000 hours worked. Working hours include standard hours and overtime and exclude absence through sickness, holiday and approved leave.

- Scope: same scope as LWD Accident (above).
- Units: rate per 100,000 hours worked.
- Method: number of LWD accidents per 100,000 hours worked.
- Source: global, facility-level monthly health & safety reporting; and global, facility-level annual health & safety data reporting/assurance process.

Parameter: Severe Accidents

- Definition: a work-related accident/incident during the reporting period which resulted in permanent disability of an employee (including contract labour/temporary employees) on site or whilst on company business (including business travel) e.g. amputations or any permanent loss of sensory or motor dexterity (e.g. loss of a finger tip).
- Scope: same scope as LWD Accident (above).
- Units: absolute number.
- Method: absolute number reported.
- Source: global, facility-level monthly health & safety reporting; and, global, facility-level annual health & safety data reporting/assurance process.

Parameter: Fatality

- Definition: a work related accident/incident during the reporting period which resulted in the death of an employee (including contract labour/temporary employees) on-site or whilst on company business (including business travel), or of a contractor/visitor whilst on-site.
- Scope: covers RB employees and contract labour/temporary over whom we have management control, plus contractors who visit the site for a short time to complete a specific work task, plus 'permanent' contractors who manage their own area and staff, plus visitors to the site.
- Units: absolute number.
- Method: absolute number reported.
- Source: global, facility-level monthly health & safety reporting; and, global, facility-level annual health & safety data reporting/assurance process.

Independent Assurance Statement on Selected Sustainability Data

Independent Limited Assurance Statement to the Directors of Reckitt Benckiser plc

The Reckitt Benckiser plc (RB) online Sustainability Report 2013 (the Report) has been prepared by the management of RB, who are responsible for the collection and presentation of the information within it. Our responsibility, in accordance with RB management's instructions, was to carry out a 'limited level' assurance review of selected 2013 data (Selected Data) contained within the Report. We do not, therefore, accept or assume any responsibility for any other purpose or to any other person or organisation. Any reliance any such third party may place on the Report is entirely at its own risk.

What we are assuring

The Selected Data marked with the 't' as set out in the Sustainability Report (on pages 25-33), that consists of:

- Environmental parameters as follows: energy use at manufacturing sites and warehouses; greenhouse gas emissions from energy use in manufacturing and warehouses; water use at manufacturing sites and warehouses; water discharges from manufacturing sites and warehouses; total waste at manufacturing sites and warehouses; hazardous waste at manufacturing sites and warehouses; and top 5 raw materials used.
- Social parameters as follows: nationalities and gender split of the Board, Executive Committee, 'Top 40', 'Top 400' senior management and global employees; Lost Working Day accident Frequency Rate at manufacturing, warehouse and R&D sites; numbers of fatal and severe accidents; and Cash Value Added.
- Total Net Revenue from more sustainable products (for the period January 2013 to September 2013), which expresses this as a percentage of total RB revenue for the same period.
- Total Carbon and Water Use Footprints.

What we did to form our conclusions

Our assurance engagement has been planned and performed in accordance with ISAE3000¹. The Selected Data have been evaluated against completeness, consistency and accuracy criteria agreed with the management of RB. These criteria have been agreed to provide a basis for assessing RB's application of its Reporting Criteria (as summarised on pages 38-42 of the Report). Our criteria are set out below:

Completeness

- Whether all material data sources have been included and that boundary definitions have been appropriately interpreted and applied.

Consistency

- Whether the RB Reporting Criteria, as summarised in the Report, have been applied to the Selected Data.

Accuracy

- Whether site-level environmental and social data has been accurately collated by RB management at a Global level.
- Whether there is supporting information for the environmental and social data reported by sites to RB management at a Global level.

In order to form our conclusions we undertook the steps outlined below:

1. Interviews with management responsible for the collation and accuracy of the Selected Data
2. A review of the methodologies, guidance documents and processes for reporting the Selected Data
3. Carried out analytical procedures over the Selected Data
4. Reviewed the Report for the appropriate presentation of the Selected Data, including the discussion of limitations and assumptions relating to the data presented
5. Reviewed and challenged the validation and collation processes undertaken by RB management in relation to the Selected Data

6. Carried out the following activities in relation to the environmental, health & safety data:

- A review of RB's online collection tool for environmental, health & safety data, including testing outputs and selected conversions made within the tool
- Reviewed underlying documentation for a sample of site level data points

7. Carried out the following activities in relation to Total Net Revenue excluding RB Pharmaceuticals (NR) more sustainable products:

- A review of RB's sustainable innovation calculator
- A review of the methodology and process for identifying 'more sustainable products'
- A review of source data being input into the calculator
- A review of the process for aggregating NR data
- A walkthrough of the documented process for calculating NR from more sustainable products
- Testing of the sustainable innovation calculator tool and gathering of evidence for a limited number of products classified as 'more sustainable'

8. Carried out the following activities in relation to the Total Carbon and Water Footprints:

- A review of RB's Total Carbon and Water Measurement System (TMS)
- Reviewed assumptions made and a sample of source data being input into the TMS

9. Checked Cash Value Added data against information reported within RB's Annual Report and Financial Statements 2013

Level of assurance

Our procedures have been designed to obtain a sufficient level of evidence to provide a limited level of assurance in accordance with ISAE3000. The extent of evidence-gathering procedures performed is less than that of a reasonable assurance engagement and therefore a lower level of assurance is provided.

Limitations of our review

- We have not sought evidence to support the data, statements or claims presented within the Report, other than those relating to the 2013 Selected Data (as set out above).
- We did not review environmental or social performance data for years prior to 2012.
- Our review did not address the accuracy of information within third party databases or examine the integrity of the finance systems used across the Group to calculate the Net Revenue figures.

Our conclusions

Based on our review:

- We are not aware of any material reporting units which have been excluded from the scope of the Selected Data.
- Nothing has come to our attention that causes us to believe that the Reporting Criteria, as summarised in the Report, have not been applied.
- Nothing has come to our attention that causes us to believe that the Selected Data has not been properly collated from the information reported by sites.
- We are not aware of any errors that would materially affect the Selected Data.

Independence

This is the second year that Ernst & Young LLP has provided independent assurance services in relation to RB's sustainability reporting. With the exception of this work we have provided no other services relating to RB's sustainability data collation and reporting.

Our assurance team

Our assurance team has been drawn from our global Climate Change and Sustainability Services network, which undertakes similar engagements to this with a number of significant UK and international businesses.

Ernst & Young LLP, London

04 April 2014



¹ ISAE 3000 – International Federation of Accountants' International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information

GRI Content Index

We report in line with version 3.0 of the Sustainability Reporting Guidelines published by the Global Reporting Initiative (GRI). Across our Sustainability Report 2013, our Annual Report & Financial Statements 2013 and our online reporting at www.rb.com we meet the requirements for the GRI Application Level A (see Application Level Table below).

In order to claim an A Application Level, the GRI requires us to provide information on:

- Which indicators we have reported on and where.
- Which we have not reported on, and why.
- Our plans for future reporting on those core indicators which we have not reported on but which are material.

This information is provided as below in the GRI Content Index.

For more information on the GRI and the current version (V3.0) of their sustainability guidelines, go to www.globalreporting.org

Status stated	What this means
Reported	This indicator is reported.
Partially reported	Some information is reported against this indicator, but not all, or not in the exact format recommended by GRI.
Not reported	This indicator is considered to be material, but no information is currently reported. Specific reasons for this are given against each indicator. For core indicators, and some other indicators where we are seeking to report in the future, we indicate the timeframe within which we expect to report on the indicator, as above.
Not material	Our materiality assessment has not identified this issue as a currently significant sustainability aspect of our business.

Requirement of G3 Guidelines	Status	Page (Annual Report 2013 and Sustainability Report 2013)	Comment	
1 Strategy and Analysis				
1.1	Statement from the CEO	Reported	3, Sustainability Report	Accessible on page 3, and can be found in our Annual Report.
1.2	Key sustainability impacts, risks and opportunities	Reported	34, Sustainability Report 15-17 & 75, Annual Report	A summary of the key sustainability impacts for Reckitt Benckiser (RB) is included in the Annual Report on page 15-17. Material financial impacts are included in the notes to the financial statements in the Annual Report (see note 17 Provisions for liabilities & charges on page 75). In addition, details of RB's materiality assessment (carried out to identify the material sustainability issues facing the Company) can be found on page 34.
2 Organisational Profile				
2.1	Name of the organisation	Reported		Reckitt Benckiser Group plc
2.2	Primary brands and products	Reported	4, Sustainability Report	RB manufactures and sells 19 global Powerbrands across the health, hygiene and home care categories. Details of our Powerbrands can be found here: www.rb.com/Our-brands/Powerbrands-on-the-shelf . In addition, RB has local heroes – brands which are important in local markets. A full list of RB's brands can be found here: www.rb.com/Ourbrands/Search-RB-Brands-A-Z/A-F . Details are also included in our Sustainability Report on page 4. The Group has 53 production facilities worldwide.
2.3	Operational structure of the organisation	Reported	12 & 89, Annual Report	The Group structures its business through a matrix of a centralised category development organisation, global sales organisation, supply organisation and support functions (finance, human resources and information services), combined with three area organisations: ENA, LAPAC and RUMEA. Further information can be found on page 12 of the Annual Report under the heading 'Our Structure'. Details of Reckitt Benckiser Group's principal subsidiaries can be found in the notes to the Parent Company financial statements on page 89 of the Annual Report, under note 2.
2.4	Location of the organisation's headquarters	Reported		103-105 Bath Road, Slough, Berkshire, SL1 3UH, United Kingdom.
2.5	Number of countries where the organisation operates	Reported	12-13, Annual Report	RB sells products through over 60 operating companies into nearly 200 countries. Further details can be found on pages 12-13 of the Annual Report under the headings 'Our Structure' and 'Segmental Performance at Constant Exchange Rates'. In addition, further details of the locations of our operations can be found online here: www.rb.com/RB-worldwide
2.6	Nature of ownership and legal form	Reported	104, Annual Report	Reckitt Benckiser Group is a publicly listed company (plc), with 736.5m shares held across 24,142 holdings. For further information see page 104 of the Annual Report under Analysis of Shareholders as at 31 December 2013.
2.7	Markets served	Reported	13, Annual Report	RB sells healthcare, hygiene and home care products into nearly 200 countries. See pages 13 of the Annual Report under 'Segmental Performance at Constant Exchange Rates' for further information.
2.8	Scale of the reporting organisation	Reported	13 & 21, Annual Report	RB's turnover in 2013 was £10,043m and the Company employed an average of 37,100 people. For further information see page 13 under 'Our Performance in 2013' and page 21 under 'Employees' in the Annual Report.
2.9	Significant changes during the reporting period	Reported	5, 9-11, 21 & 22, Annual Report	The key changes to have occurred during the 2013 reporting period are outlined in the Annual Report and principally relate to acquisitions and management change. See pages 5 (for acquisitions) 9-11 (under 'Our strategy for growth and outperformance) and pages 21-22 (under the 'Report of the Directors') in the Annual Report.
2.10	Awards received in the reporting period	Reported	36, Sustainability Report	Details of awards received during 2013 are set out on page 36 of the Sustainability Report.

Requirement of G3 Guidelines	Status	Page (Annual Report 2013 and Sustainability Report 2013)	Comment
3 Report Parameter			
3.1	Reporting period for the information provided	Reported	The reporting period is for the 2013 calendar year (i.e. 1 January 2013 to 31 December 2013).
3.2	Date of most recent previous report	Reported	The most recent previous Sustainability Report was published in June 2013. A copy can be accessed online here: www.rb.com/sustainability-report2012 .
3.3	Reporting cycle	Reported	Reckitt Benckiser reports on its sustainability performance annually.
3.4	Contact point for questions regarding the report and its contents	Reported	52, Sustainability Report
3.5	Process for defining report content	Reported	34, Sustainability Report
3.6	Boundary of the report	Reported	38-42, Sustainability Report
3.7	Specific limitations on the scope and boundary of the report	Reported	38-42, Sustainability Report
3.8	Basis for reporting on joint ventures, subsidiaries etc.	Reported	38-42, Sustainability Report
3.9	Data measurement techniques and the basis of calculations	Reported	38-43, Sustainability Report
3.10	Explanation of the effect of any re-statements of information	Reported	38-42, Sustainability Report 54-55 & 83-84, Annual Report
3.11	Significant changes from previous reporting periods	Reported	38-42, Sustainability Report 11 & 83-84, Annual Report
3.12	Table identifying the location of the Standard Disclosures	Reported	n/a
3.13	Policy and current practice with regard to external assurance	Reported	43, Sustainability Report 47, Annual Report
4 Governance			
4.1	Governance structure of the organisation	Reported	24-32, Annual Report
4.2	Is the Chairman also an executive officer?	Reported	26-27, Annual Report
4.3	Independent and/or Non-Executive members of the Board	Reported	27, Annual Report
4.4	Mechanisms for shareholders and employees to provide recommendations to the Board	Reported	21, 22 & 32, Annual Report
4.5	Linkage between Board and management compensation and Company performance (including social & env. performance)	Reported	34-46, Annual Report
4.6	Processes in place to avoid conflicts of interest	Reported	28, Annual Report
4.7	Process for determining the qualifications and expertise of the Board in addressing economic, environmental, and social topics	Reported	20 & 27-29, Annual Report

Requirement of G3 Guidelines		Status	Page (Annual Report 2013 and Sustainability Report 2013)	Comment
4.8	Internally developed statements of mission or values, codes of conduct, and principles	Reported	9-19 & 30, Annual Report 4-6 & 35, Sustainability Report	In 2012, RB announced a new vision and purpose to make a difference by giving people innovative solutions for healthier lives and happier homes. RB's strategy is laid out on pages 9-19 of the Annual Report. In addition, RB ensures that high ethical standards are reflected in business behaviour and culture through the global Business Code of Conduct. All employees are required to complete an annual Code of Conduct training course. This information can be found on page 30 of the Annual Report. RB's Business Code of Conduct can be found here: www.rb.com/Our-responsibility/Our-policies-reports . Further information is also included in the Sustainability Report on page 35. An overview of RB's sustainability vision and principles is set out in the Sustainability Report on page 4-6.
4.9	Procedures for identification and management of economic, environmental, and social performance, including relevant risks and opportunities and internationally agreed standards	Reported	34-36, Sustainability Report 17-19, Annual Report	The approach followed for identification of material environmental and social risks and opportunities affecting the company is set out in the Sustainability Report on page 34. Procedures for managing these risks and opportunities are set out in the Sustainability Report on pages 35-36. Processes for identifying and managing economic risks and opportunities are set out in the Annual Report, under 'Relationships and Principal Risks' (pages 17-19).
4.10	Processes for evaluating the Board's performance, particularly with respect to economic, environmental and social performance	Reported	28-29, Annual Report	Details of the Board evaluation processes can be found in the Corporate Governance Report under 'Evaluation' (pages 28-29 of the Annual Report).
4.11	Application of the precautionary approach	Reported	15-17, Annual Report 34, Sustainability Report	RB applies a precautionary approach through consideration of the significance of sustainability matters, their potential risks to the business and the opportunities to enhance value that may arise from an appropriate response (including risks relating to environmental impacts, employees, society and communities, as well as reputational risks). An overview of the approach RB takes can be found in the Annual Report on pages 15-17. RB's approach to managing significant risks is set out in the Sustainability Report on page 34.
4.12	Economic, environmental and social charters and principles to which we subscribe	Reported	36, Sustainability Report 32, Annual Report	Details of the charters, principles and memberships to which we subscribe are set out in the Sustainability Report on page 36. Details of RB's relations with shareholders can be found on page 32 of the Annual Report.
4.13	Memberships of associations	Reported		
4.14	Stakeholder groups engaged by the organisation	Reported	34 & 36, Sustainability Report 22 & 32, Annual Report	Details of the stakeholder groups engaged by the organisation, and the process for identifying and selecting stakeholders, are set out in the Sustainability Report on pages 34 and 36. Summary details are also provided in the Annual Report (See page 22 for employees and 32 for shareholders).
4.15	Basis for identification and selection of stakeholders	Reported		
4.16	Approach to stakeholder engagement	Reported	34 & 36, Sustainability Report	Details of RB's approach to stakeholder engagement can be found in the Sustainability Report on pages 34 and 36.
4.17	Key topics and concerns raised through stakeholder engagement, and our response	Reported	34 & 36, Sustainability Report	Details of the key topics and concerns raised through stakeholder engagement are set out in the Sustainability Report on pages 34 and 36.

Disclosures on Management Approach

Economic	Reported	26-32 Annual Report	Details on management approach to economic matters are provided in the Annual Report, in the Corporate Governance Report (pages 26-32).
Environmental	Reported	15-17, Annual Report 35, Sustainability Report	Details on management approach to environmental matters are provided in the Annual Report on pages 15-17 and Sustainability Report on page 35.
Labour	Reported	15-17, Annual Report 26 & 35, Sustainability Report	Details on management approach to labour matters are provided in the Annual Report on pages 15-17 and our Sustainability Report on page 26 and 35.
Human rights	Reported	15-17, Annual Report 26 & 35, Sustainability Report	Details on management approach to human rights matters are provided in the Annual Report on pages 15-17 and our Sustainability Report on page 26 and 35.
Society	Reported	15-17, Annual Report 35, Sustainability Report	Details on management approach to societal matters are provided in the Annual Report on pages 15-17 and Sustainability Report on page 35.
Product responsibility	Reported	15-17, Annual Report 14, 18, 27, 28 & 35, Sustainability Report	Details on management approach to product matters are provided in the Annual Report on pages 15-17 and Sustainability Report on page 14, 18, 27, 28 and 35.

Economic Performance Indicators

EC1	Direct economic value generated and distributed	Reported	12 & 26, Sustainability Report	Revenues – Page 50, Annual Report. Operating costs – Page 61, Annual Report. Employee wages and benefits - Page 62, Annual Report. Payments to providers of capital – Page 83, Annual Report. Payments to government (gross taxes) – Page 50, Annual Report. Community investments – Page 12, Sustainability Report. Economic value retained – Page 51-53, Annual Report. Information is also included in the Sustainability Report (page 26).
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Requirement of G3 Guidelines		Status	Page (Annual Report 2013 and Sustainability Report 2013)	Comment
EC2	Financial implications of climate change	Reported	16-17, Annual Report	A summary on the risks posed by climate change and RB's management of these risks is included in the Annual Report on page 16-17. In addition, RB discloses information on the risks and opportunities associated with climate change through the CDP Investor questionnaire: www.cdproject.net
EC3	Coverage of the organisation's defined benefit plan obligations	Reported	32, 34-46 & 76-78, Annual Report	All employees are part of RB's defined contribution plan. Pensions contribution and post-retirement benefits other than pensions information can be found in the remuneration section of the Corporate Governance Report (page 32, Annual Report), the Remuneration Report (page 34-46, Annual Report) and under pension and other post-retirement commitments, pages 76-78 of the Annual Report.
EC4	Significant financial assistance received from government	Not Material	n/a	We do not currently collect this information centrally and the information is commercially confidential.
EC5	Ratio of wages to local minimum wage (Additional Indicator)	Not Material	n/a	This indicator is not material for RB as a significant percentage of our employees are skilled technical and professional staff whose pay is above the local minimum wage. In addition, through our Global Manufacturing Standard we require staff at facilities that are responsible for the manufacture, distribution of products on behalf of RB to comply with local minimum wage regulations and industry standards.
EC6	Policy and spending on locally-based suppliers	Reported	32-33, Sustainability Report	RB's position on locally-based suppliers is set out in the Sustainability Report on page 32-33.
EC7	Procedures for local hiring	Reported	24-25, Annual Report	RB hires in every location where we operate. RB does not positively discriminate towards local hiring but instead, seeks to hire the best person for the job whether the person is local or from further afield. RB's culture of global mobility has helped create a diverse management team. 14, 49 and 95 nationalities are represented in the Top40, Top400 and professional populations respectively. Further Information on RB's approach to diversity is provided in the Annual Report on page 24-25.
EC8	Development and impact of infrastructure investments (i.e. facilities built to provide a public service)	Reported	11-12, Sustainability Report	Information on RB's charitable donations in 2013 can be found on pages 11-12 of the Sustainability Report.
EC9	Significant indirect economic impacts (Additional Indicator)	Reported	34, Sustainability Report	Indirect economic impacts are reviewed as part of RB's materiality assessment. Further information can be found in the Sustainability Report on page 34.

Environmental Performance Indicators

EN1	Materials used by weight or volume	Reported	27 & 33, Sustainability Report	A summary of the key raw materials we use and the total volume of our top five raw materials are set out in our Sustainability Report on page 33. We also disclose on the key materials used in our packaging in our Sustainability Report on page 27. However, we do not disclose more detailed information on raw materials volumes as this is commercially confidential.
EN2	Percentage of materials used that are recycled materials	Partially Reported	27, Sustainability Report	Accurate information on this KPI is not presently available at Group level (and with regard to certain raw materials is considered commercially confidential). Our approach to packaging and ingredients is included in our Sustainability Report on page 27.
EN3	Direct energy consumption by primary energy source.	Reported	28-30, Sustainability Report	We report data on the total energy used by our facilities and the global warming potential (GWP) of this consumption. The GWP takes account of renewable energy used by our facilities. We do not report information on exports of energy as this is not a material consideration for our business. Data are set out in our Sustainability Report on pages 28-30.
EN4	Indirect energy consumption by primary source.	Reported		We report data on the total indirect energy used by our facilities in our CDP Investor information disclosure: www.cdproject.net/en-US/Results/Pages/responses.aspx The data provided in the 2013 CDP Disclosure was: <i>Energy type (MWh)</i> Fuel 465754 Electricity 402146 Heat 0 Steam 51304 Cooling 0
EN5	Energy saved due to conservation and efficiency improvements.	Reported	28-30, Sustainability Report	We report on the energy savings achieved in the reporting period and outline examples of the energy savings projects we have implemented. Examples and savings achieved are set out in our Sustainability Report on pages 28-30.
EN6	Initiatives to provide energy-efficient or renewable energy based products (Additional Indicator)	Reported	14, 16-17, 27 & 40, Sustainability Report	We provide detailed information on the initiatives we have in place to reduce the energy use associated with our products in our Sustainability Report on pages 14, 16 and 17. We also set out the assumptions that underpin the supporting data in the Sustainability Report on pages 27 and 40.
EN7	Initiatives to reduce indirect energy consumption (Additional Indicator)	Reported	14 & 16-17 Sustainability Report	We report on the energy used by subcontracted production, raw materials production and business travel. We do not currently report on employee commuting energy use as this is not considered material in the context of RB's overall carbon footprint. We provide examples of initiatives to reduce indirect energy use in our Sustainability Report on pages 14, 16 and 17.
EN8	Total water withdrawal by source.	Reported	29, Sustainability Report	Water consumption data can be found in our Sustainability Report on page 29.
EN9	Water sources significantly affected by withdrawal of water. (Additional Indicator)	Not Reported	n/a	We do not currently hold this information at a Group level. However, we hope to be able to provide further details in our disclosure for the next reporting period.
EN10	Percentage and total volume of water recycled and reused. (Additional Indicator)	Reporting	29, Sustainability Report	The percentage and total volume of water recycled and reused can be found on page 29.

Requirement of G3 Guidelines		Status	Page (Annual Report 2013 and Sustainability Report 2013)	Comment
EN11	Location and size of land in, or adjacent to, protected areas and areas of high biodiversity value	Reported	31, Sustainability Report	RB's operations do not involve the ownership or use of large areas of land. Land use is restricted to office and factory locations. Our supply chain has a greater impact on land use than our own operations. However, we collect information on whether sites are located in or adjacent to protected areas and information is included in our Sustainability Report on page 31.
EN12	Description of significant impacts of activities, products, and services on biodiversity in protected areas and areas of high biodiversity value	Reported	18, 31 & 33, Sustainability Report	RB's day to day operations do not have significant direct effects on biodiversity. Potential impacts on biodiversity could be from pollution events either from our factories or products. We disclose information on management of this risk in our Sustainability Report. In addition, the use of natural raw materials has impacts on biodiversity and we disclose on this via the Forest Footprint Disclosure Project (www.cdproject.net/en-US/Programmes/Pages/forests.aspx) and also in the Sustainability Report on page 18, 31 and 33.
EN13	Habitats protected or restored. (Additional Indicator)	Reported	31, Sustainability Report	RB's operations do not result in significant land use changes or direct adverse effects on habitats. However, our tree planting initiative in Canada, RB Trees, has seen 100km ² of degraded farmland restored to native forest. For further details visit www.rb.com/Our-Responsibility/Trees
EN14	Strategies for managing impacts on biodiversity (Additional Indicator)	Not Material	33, Sustainability Report	We provide information on our approach to managing the biodiversity risks associated with our operations and from purchasing natural raw materials in our Sustainability Report on page 33. However, the nature of RB's business activities means that direct impacts on biodiversity are not a material issue for the business.
EN15	Protected species with habitats in areas affected by operations (Additional Indicator)	Not Material	n/a	The footprints our facilities are limited in size and operations are contained within factory buildings. As a result, this issue does not represent a material sustainability issue for our business.
EN16	Total direct and indirect greenhouse gas emissions by weight	Reported	16, Annual Report 27-30, Sustainability Report	Our GHG emissions by scope are reported on page 16 of the Annual Report and pages 27-30 of the Sustainability Report. We also set out our total direct and indirect greenhouse gas emissions in our information submission as part of the CDP Investor programme: www.cdproject.net/en-US/Results/Pages/responses.aspx
EN17	Other relevant indirect greenhouse gas emissions by weight	Reported		
EN18	Initiatives to reduce greenhouse gas emissions (Additional Indicator)	Reported	14, 16-17, 20 & 26-29, Sustainability Report	We provide details on our activities to reduce our greenhouse gas emissions in our Sustainability Report on pages 14, 16-17, 20 and 26-29. This includes details of the carbon savings achieved through the various activities.
EN19	Emissions of ozone-depleting substances	Not material	n/a	RB is not a significant user of ozone depleting substances and, as a result, this is not a significant issue for our business. (NB: ozone-depleting substances contained or emitted from products during their usage and disposal are not covered by this Indicator).
EN20	NO, SO, and other significant air emissions	Reported	28-29, Sustainability Report	Our significant direct air emissions (greenhouse gas emissions from energy use) are reported on pages 28 and 29; we do not have significant NOx or SOx emissions.
EN21	Total water discharge by quality and destination	Partially reported	29, Sustainability Report	We report on total water discharged by quality and location in our Sustainability Report on page 29; we do not report on Total Suspended Solids (TSS).
EN22	Total weight of waste by type and disposal method	Reported	29, 30, Sustainability Report	We provide data on the total waste by type and disposal method in our Sustainability Report on pages 29 and 30.
EN23	Total number and volume of significant spills	Reported	31, Sustainability Report	We provide information on spills in our Sustainability Report on page 31.
EN24	Waste deemed hazardous under the terms of the Basel Convention (Additional Indicator)	Partially reported	29 & 30, Sustainability Report	Data on the hazardous waste generated by RB is found in the Sustainability Report on pages 29 and 30.
EN25	Water bodies and related habitats significantly affected (Additional Indicator)	Reported		There are no water bodies that are significantly affected by RB's water discharges (as defined by the GRI Indicator Protocols v 3.1).
EN26	Initiatives to mitigate environmental impacts of products	Reported	14-18 & 26-27, Sustainability Report	We provide information on the initiatives we are implementing to mitigate the environmental impacts of our products in the Sustainability Report on pages 14-18 and 26-27.
EN27	Percentage of products sold and their packaging materials that are reclaimed	Not reported	n/a	As a minimum, RB complies with local legal requirements in relation to packaging reclamation, such as the Waste Electrical & Electronic Equipment Regulations and Packaging Waste Regulations in the EU. Information on packaging and waste management is included in our Sustainability Report.
EN28	Significant fines and non-monetary sanctions for non-compliance with environmental laws and regulations	Reported	31, Sustainability Report	Details of any significant fines or non-monetary sanctions for non-compliance with environmental law and regulations are set out in the Sustainability Report on page 31.
EN29	Environmental impacts of transporting products and other goods and materials, and the workforce (Additional Indicator)	Reported	27, Sustainability Report	The most significant impacts of the transport of RB products are the associated greenhouse gas emissions. Details on the emissions associated with transport of products are provided in the Sustainability Report on page 27 and CDP Investor information disclosure.
EN30	Total environmental protection expenditures and investments by type (Additional Indicator)	Not reported	n/a	We do not currently report this information as it is considered commercially sensitive information.

Social – Labour Practices and Decent Work Performance Indicators

LA1	Total workforce by employment type, employment contract and region	Reported	25, Sustainability Report 11, 24-25, 32, Annual Report	We disclose data on employee breakdown by region in our Sustainability Report on page 25. We also provide data on employee split by gender and ethnicity in our Annual Report on page 11. Information on our approach to employment and diversity can be found in our Annual Report (page 24-25). Our Annual Report also highlights that a similar employment contract is used for all employees (see page 32). Information on the full/part time status and contract types (i.e. temporary / permanent / self employed) is held at the local level and is not currently available at the Group level (as this is not a material business issue).
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Requirement of G3 Guidelines		Status	Page (Annual Report 2013 and Sustainability Report 2013)	Comment
LA2	Total number and rate of employee turnover by age group, gender and region	Reported	14 & 24, Annual Report	We report the turnover of management during the reporting period in our Annual Report (see page 14), but at present we do not disclose other employee data (i.e. numbers of new hires and leavers) as this information is managed by our local operations and is not currently consolidated at the Group level. Information on our approach to employment and diversity can be found in our Annual Report (page 24).
LA3	Benefits provided to full-time employed that are not provided to temporary or part time employees (Additional Indicator)	Partially Reported	32, Annual Report	A similar employment contract is used for all employees and compensation rules apply equally to RB's Top400 managers in all markets. Salary ranges are based on global benchmarking and RB's annual cash bonus structures and long-term incentive plans are the same for all employees, as are pensions, healthcare plans and other benefits (See page 32 of the Annual Report). At present we do not disclose on arrangements for temporary /part time employees as this varies according to location and is managed locally, so information is not aggregated at the Group level. This information is not collated at the Group level as it is not a material issue for our business.
LA4	Percentage of employees covered by collective bargaining agreements.	Partially Reported	n/a	This is not something we track at a global level as it is managed by local operations. However, approximately 39% of full-time staff are covered by collective bargaining agreements.
LA5	Minimum notice period(s) regarding operational changes	Reported		As a minimum, RB complies with applicable local laws regarding minimum notice periods. Some locations also have specific policies regarding minimum notice periods. In addition, Group management (Top400) has a standard notice period of 6 months.
LA6	Percentage of total workforce represented in formal joint management-worker health & safety committees (Additional Indicator)	Reported		Our global manufacturing, warehouse and R&D facilities all have H&S committees with employee and management representatives. Further information on our H&S management can be found in our Sustainability Report on page 32.
LA7	Rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	Partially Reported	32, Sustainability Report	We report data on rates of injury, lost days and number of work-related fatalities (i.e. 3 of the 5 items identified for this KPI) in our Sustainability Report on page 32. Data on absenteeism and occupational diseases are tracked locally and, as a result, this information is not currently available at the Group level. However, we hope to be able to report these data next year.
LA8	Programmes in place to assist workforce members, their families, or community members regarding serious diseases	Reported	This table	Programmes are co-ordinated locally and are tailored to meet the local needs. Examples include HIV/AIDS awareness programmes, stress management support, health & nutrition awareness programmes and child/elderly care support.
LA9	Health & safety topics covered in formal agreements with trade unions. (Additional Indicator)	Not reported	n/a	We do not currently collate this information at the Group level as it is managed locally.
LA10	Average hours of training per year per employee by employee category.	Partially reported	26, Sustainability Report 11 & 21, Annual Report	Information on employee training is provided in our Annual Report (see page 11 & 21) and in our Sustainability Report on page 26. We report on the training of our management pipeline but our internal reporting systems are not currently set up for the external reporting of this information in terms of actual hours of training provided on specific subjects across our global facilities for all employees. We do not believe the benefit of doing so warrants diverting resources to do so, versus the other things we are instead doing with our resources in terms of actively improving the health, safety & welfare of employees at work.
LA11	Programs for skills management and lifelong learning that support the continued employability of employees (Additional Indicator)	Partially Reported	11-12, Annual Report	RB is committed to continuing professional development of its employees. Details are set out in the Annual Report on page 11-12. We do not currently report on transition assistance programmes as these are tailored to meet specific needs and circumstances.
LA12	Percentage of employees receiving regular performance and career development reviews. (Additional Indicator)	Reported		All employees are included in RB's Performance & Development Review programme, which includes setting performance, development and training objectives and reviewing progress against these.
LA13	Composition of governance bodies and breakdown of employees per category according to gender, age group, minority group membership, and other indicators of diversity	Reported	24-25, Annual Report 25, Sustainability Report	We report on the composition of governance bodies and the breakdown of employees by gender and minority group on page 24-25 of the Annual Report. Information is also included in the Sustainability Report on page 25. We do not currently report on employees by age group as this is not a relevant metric for our business as we hire and promote employees on the basis of experience and performance, not age. Information on our approach to diversity is also set out in our Annual Report (also on page 24).
LA14	Ratio of basic salary of men to women by employee category	Not Material	n/a	Salaries are locally determined according to the geographical location and type of work performed. We provide information on remuneration in our Annual Report but this does not currently include the basic salary of men to women. We have a policy of non discrimination and employee salaries are determined by grade, experience and performance regardless of gender. Group HR also monitors average pay of males and females in the Top400 to ensure this reflects industry averages.
LA15	Return to work and retention rates after parental leave, by gender	Not Material	n/a	As a minimum, we follow local legal requirements regarding parental leave. At present information on employees taking parental leave, return to work and retention rates is managed at the local level and is not available at the Group level as this is not a material issue for our business.

Social – Human Rights Performance Indicators

HR1	Investment agreements that include human rights clauses or have undergone human rights screening	Reported	67 & 83-84, Annual Report	We report on significant investment agreements – which include company acquisitions and significant capex projects – in our Annual Report (see pages 67 and 83-84). Human rights issues are reviewed as part of the due diligence process for significant investment agreements and the conclusions will inform investment decisions.
HR2	Percentage of significant suppliers and contractors that have undergone screening on human rights and actions taken	Partially Reported	32, Sustainability Report	We provide details of our Global Manufacturing Standard (GMS) which outlines our requirements in relation to human rights in our Sustainability Report on page 32.

Requirement of G3 Guidelines		Status	Page (Annual Report 2013 and Sustainability Report 2013)	Comment
HR3	Total hours of employee training on policies and procedures concerning aspects of human rights (Additional Indicator)	Partially Reported	30, Annual Report	All employees are required to complete annual training on RB's Code of Conduct (which includes human rights issues) (see page 30 of the Annual Report). As training is managed on an individual basis, we do not currently intend on compiling Group-wide data on training hours completed.
HR4	Total number of incidents of discrimination and actions taken	Partially Reported	25, Sustainability Report	Our reporting systems are not currently set up for the external reporting of this information but refer to page 25 of the Sustainability Report for information on our approach to this topic.
HR5	Operations identified in which the right to exercise freedom of association and collective bargaining may be at significant risk	Partially Reported	32, Sustainability Report	We provide details of our Global Manufacturing Standard (GMS) which outlines our requirements and processes in relation to collective bargaining, no child labour and no forced labour in our Sustainability Report on page 32.
HR6	Operations identified as having significant risk for incidents of child labour	Partially Reported		
HR7	Operations identified as having significant risk for incidents of forced or compulsory labour	Partially Reported		
HR8	Percentage of security personnel trained in human rights policies or procedures	Not Material	n/a	RB is not required to have a strong security presence at our facilities and as a result, this issue is not considered a material risk to the business.
HR9	Total number of incidents of violations involving rights of indigenous people (Additional Indicator)	Not Material	n/a	Given the nature of RB's business and the locations of our facilities, this is not considered a material risk for the business.
HR10	Percentage and total number of operations that have been subject to human rights reviews and/or impact assessments	Partially Reported	32, Sustainability Report	We provide details of our Global Manufacturing Standard (GMS) which outlines our requirements in relation to human rights reviews in our Sustainability Report on page 32.
HR 11	Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms	Reported	26, Sustainability Report	RB's grievance process is outlined in the Sustainability Report on page 26.

Social – Society Performance Indicators

SO1	Nature, scope and effectiveness of programmes that assess and manage our impacts on communities	Reported	8-12 Sustainability Report	Our community programmes address key health and hygiene issues in local/global communities and individual sites also work with local communities. Examples of community programmes RB supports are set out in our Sustainability Report on pages 8-12. Other aspects are not currently identified as material.
SO2	Business units analysed for risks related to corruption.	Partially Reported		100% of RB employees have received formal training on the UK Bribery Act and all employees with email access are required to pass a mandatory online test covering the UK Bribery Act. This is in addition to the annual Code of Conduct training and has been supported by extensive Legal and Internal Audit visits to high risk overseas operations.
SO3	Employees trained in anti-corruption policies and procedures.	Reported	30, Annual Report	All employees receive training on RB's Anti-bribery Policy and Code of Conduct. For further information see page 30 of the Annual Report.
SO4	Actions in response to incidents of corruption.	Not reported		RB Group policies require the reporting of all incidents of possible corruption to the Chief Auditor, who is responsible for oversight, guidance and investigation. All reported instances of possible fraud and corruption are presented to the Audit Committee along with key actions which are regularly followed up.
SO5	Public policy positions and participation in public policy development	Reported	36, Sustainability Report 24, Annual Report	Activities we are involved with through trade associations, roundtables and task forces are set out in the Sustainability Report on page 36. In addition, RB's position in relation to diversity is set out on page 24 of the Annual Report.
SO6	Value of contributions to political parties, politicians, and related instruments (Additional Indicator)	Reported	n/a	As stated in our Code of Business Conduct www.rb.com/Our-responsibility/Our-policies-reports , the Company is not a political organisation. It does not support political parties or contribute funds to groups whose activities are calculated to promote party interests or the election of a specific candidate.
SO7	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices (Additional Indicator)	Reported	15, Annual Report	Information on legal action during the reporting period in relation to anti-competitive behaviour is provided in the Annual Report on page 15 (under 'Contingent Liabilities').
SO8	Significant fines and non-monetary sanctions for non-compliance with laws and regulations.	Reported	31, Sustainability Report 15 & 75, Annual Report	Information on fines and non-monetary sanctions for environmental, health & safety matters are provided in the Sustainability Report on page 31. Information on other material fines and non-monetary sanctions are included in the Annual Report (see pages 15 and 75).
SO9	Operations with significant potential or actual negative impacts on local communities	Not material	n/a	Given the nature of RB's business and the locations of our facilities, this is not considered a material risk for the business.

Requirement of G3 Guidelines		Status	Page (Annual Report 2013 and Sustainability Report 2013)	Comment
SO10	Prevention and mitigation measures implemented in operations with significant potential or actual negative impacts on local communities	Not material	n/a	Given the nature of RB's business and the locations of our facilities, this is not considered a material risk for the business.

Social – Product Responsibility Performance Indicators

PR1	Lifecycle stages in which health & safety impacts of products and services are assessed	Reported	23 & 32, Sustainability Report	We report on our management of health & safety considerations relating to the lifecycle of our products in our Sustainability Report on pages 23 and 32.
PR2	Incidents of non-compliance with regulations and voluntary codes concerning health & safety impacts of products (Additional Indicator)	Not reported	n/a	This information is managed at the local level and as a result, is not currently available at the Group level.
PR3	Product and service information required by procedures, and percentage of significant products and services covered.	Reported	26-28, Sustainability Report	Product information procedures are outlined in the Sustainability Report on pages 26-28, which includes RB's approach to safe use, chemical ingredients and environmental information on packaging across RB's product range.
PR4	Incidents of non-compliance with regulations and voluntary codes concerning product information and labelling (Additional Indicator)	Not reported	n/a	This information is managed at the local level and as a result, is not currently available at the group level.
PR5	Practices related to customer satisfaction, including results (Additional Indicator)	Reported	28, Sustainability Report	Information on our consumer satisfaction approach, including our results is set out in our Sustainability Report on page 28.
PR6	Programmes for adherence to laws, standards, and voluntary codes related to marketing communications	Reported	36, Sustainability Report	RB is part of the A.I.S.E 2010 Charter and includes the A.I.S.E sustainable cleaning logo on relevant products. As part of this membership, RB carries out regular compliance checks and is audited by an external party every three years.
PR7	Incidents of non-compliance with regulations and voluntary codes concerning marketing communications (Additional Indicator)	Not reported	n/a	This information is managed at the local level and as a result, is not currently available at the Group level.
PR8	Total number of substantiated complaints regarding breaches of customer privacy (Additional Indicator)	Not reported	n/a	This information is managed at the local level and as a result, is not currently available at the Group level.
PR9	Significant fines for non-compliance with laws and regulations concerning the provision and use of products and services.	Reported	31, Sustainability Report 15, Annual Report	Significant fines are included in the Annual Report on page 15. In addition, details of environmental, health & safety fines are included in the Sustainability report on page 31.

About this Report

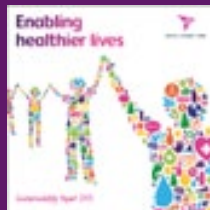
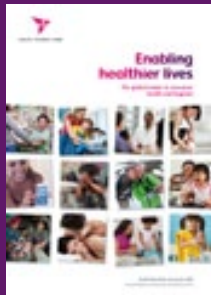
This report is for the year ending 31 December 2013 and conforms to the G3 Sustainability Reporting



Guidelines of the Global Reporting Initiative (GRI); we have self-declared as meeting the top GRI application level of A.

Further information

This report is part of an integrated approach to reporting our total performance. Our family of reports also includes the Sustainability Report Highlights, the Annual Report, and regularly updated corporate responsibility information at www.rb.com



Left: Annual Report 2013

Right: Sustainability Report Highlights 2013

If you have any comments or queries on this report or our sustainability performance please contact:

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Designed and produced by The Workroom www.workroom.co.uk

Sustainability performance data in this report assured by Ernst & Young LLP

Environment (2013 data)	Page
• Greenhouse gas emissions from energy use in manufacturing and warehouses (tonnes CO ₂ equivalents per '000 CUs; actual)	20, 28, 29, 30
• Total waste at manufacturing and warehouses (tonne per '000 CUs; actual)	3, 6, 20, 21, 29, 30
• Hazardous waste at manufacturing and warehouses (tonnes per '000 CUs; actual)	30
• Water discharges from manufacturing and warehouses (m ³ per '000 CUs; actual)	29, 30
• Energy use at manufacturing and warehouses (GJs per '000 CUs; actual)	3, 6, 20, 28, 30
• Water use at manufacturing and warehouses (m ³ per '000 CUs; actual)	3, 6, 20, 29, 30
• Top 5 raw materials used (million metric tonnes)	33
HR (2013 data)	
• Nationalities: of the Company's Board, Executive Committee, 'Top40' and 'Top400' senior management and 65% of the average number of total global employees	25
• Gender split: of the Company's Board, Executive Committee, 'Top40' and 'Top400' senior management and 65% of the average number of total global employees	25
Cash Value Added (2013 data)	26
Health and safety at work (2013 data)	
• Lost Working Day Accident Rate (LWD AR) at manufacturing, R&D and warehouse facilities (per 100,000 hours)	3, 6, 23, 32
• Number of fatal and severe accidents	32
Product Metrics (2013 data)	
• Total Net Revenue from more sustainable products (Q1-Q3 2013)	3, 6, 14, 26
• Total Carbon Footprint	3, 6, 16, 26, 27
• Total Water Use Footprint	3, 6, 15, 26, 27

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