

OUR SECTION 172 STATEMENT

This statement shows how our Directors have acted in a way that they consider, in good faith, would be most likely to promote the success of the company for the benefit of its members as a whole, having regard to stakeholders, including matters under section 172(1)(a)-(f) of the Companies Act 2006, during 2021. The statement has been prepared in response to the obligations set out in the Companies (Miscellaneous Reporting) Regulations 2018, and the UK Corporate Governance Code 2018.

Understanding the needs and expectations of our stakeholders is fundamental to our Purpose: to protect, heal and nurture in the relentless pursuit of a cleaner and healthier world. We recognise that our business can only grow and prosper by acting in the long-term interests of our key stakeholders, namely our people, our consumers and customers, our investors and our partners, and the communities and environment we operate in. The Board considers our key stakeholders and the matters set out under section 172 of the Companies Act 2006 in its discussions and decision-making. The following table sets out key examples of how the Board has considered matters under section 172 during the year in performing its duties.

Section 172	Overview	Relevant disclosures
(a) the likely consequences of any decision in the long-term	<p>The Board always strives to act in the long-term interests of its key stakeholders. Our Rejuvenating Sustainable Growth strategy is founded on creating long-term shareholder value, which is achieved by meeting the needs of all stakeholders, through our relentless pursuit of a cleaner and healthier world. When launching our strategy, we set out that we would manage and strengthen our portfolio, whilst seeking out new opportunities.</p> <p>In doing so, during the year, the Board approved the sale of the Scholl brand, and our Infant Formula and Child Nutrition (IFCN) business in China, and the acquisition of the Biofreeze brand. The Board took into consideration the long-term consequences of these decisions, ongoing feedback and consultation with investors, and the potential to create stakeholder value. These decisions represent a major step forward in implementing our strategy and a key milestone in our journey to rejuvenate sustainable growth.</p>	<p>Chief Executive Officer's Statement page 9</p> <p>Nutrition pages 28 to 29</p> <p>Progress against our strategy page 33</p> <p>Stakeholder Engagement page 60</p> <p>Decision making in practice and taking stakeholder views into account pages 70 to 71</p>
(b) the interests of our people	<p>Our employees are fundamental to our success as a business. Understanding the interests of our employees is important for the Board and forms part of our decision-making process. During the year, the Board has kept up to date with methods of employee engagement, including the results of all employee surveys on culture, Stronger Together conversations and employee well-being. Our approach to ways of working in light of COVID-19 and adopting a hybrid working model takes into consideration direct feedback received from our employees through surveys.</p> <p>In September, the Board held round-table discussions with employees which focused on inclusion, consumers, innovation and science, sustainability and business transformation. The discussions provided employees with the opportunity to engage directly with Board members and express their views and concerns regarding the organisation, its culture and operations. The Board reviewed feedback from the round-table discussions at its November meeting, including actions required to address employee concerns. The Board is committed to continuing to engage with employees to understand their interests.</p>	<p>Focus on: culture & inclusion pages 46 to 49</p> <p>Building Partnerships with Stakeholders pages 55 to 56</p> <p>Chair's introduction to governance pages 105 to 106</p> <p>Corporate Governance Report pages 121 to 122</p>

Section 172	Overview	Relevant disclosures
(c) the need to foster business relationships with our key stakeholders	<p>The Board understands the importance of fostering business relationships with key stakeholders. During the year, the Board took part in listening sessions on the topics of nutrition, ecosystems, biodiversity and nature-based solutions. At these sessions the Board heard perspectives from external panellists including investors, suppliers, academics and NGOs. Board members were invited to ask questions during the session and discuss next steps.</p> <p>In our efforts to provide access to the highest quality health and hygiene products, we were proud to be named a Principal Partner, and the official hygiene partner at COP26. Key management personnel attended the conference including our CEO, where a broad range of events were held with government ministers, leading academics and civil society leaders. This enabled us to better understand the interests and aims of those stakeholders and also develop our own activities in support whilst also creating opportunities for our business. The significant impact of climate change on health was a key theme of our engagement at COP26, alongside our ability to connect with customers and consumers to develop joint activities to combat climate change. As the official hygiene partner for the conference, we demonstrated Reckitt's ability to protect the health of tens of thousands of people at such events through effective hygiene interventions and protective self-care. This supported the organising parties of the United Nations and the UK Government in running a safe and valuable conference.</p>	<p>Sustainability Ambitions pages 16 to 17</p> <p>Focus on: COP26 pages 20 to 21</p> <p>Stakeholder Engagement pages 52 to 65</p> <p>CRSEC Committee Report pages 141 to 147</p>
(d) the impact of Reckitt's operations on the community and the environment	<p>Sustainability is central to our Purpose and runs through everything we do. We understand as a business the effects our operations have on the environment and the need to embed sustainability to create positive impacts for both communities and the wider society in which they operate, as well as for our business. During 2021, we built on our commitment to combat climate change through science-based targets for carbon reduction by 2030 and as a key milestone, our ambition is to be carbon neutral across our value chain by 2040. In March 2021, our sustainability ambitions to 2030 were approved by the Board. We are focused on our impact through our purpose-led brands and innovative products; sustaining a healthier planet through: our work on climate change, natural resources and biodiversity; and enabling a fairer society through our activity in our own business and across our value chain to support inclusion, strengthen human rights and support for sustainable livelihoods. Our goals of reaching half the world with purpose-led brands to enable more people to lead cleaner, healthier lives, and of engaging two billion people through our programmes and campaigns, are designed to create lasting impact in communities and with our stakeholders. They also strengthen impact within our business. At COP26, we demonstrated how we can engage consumers to help tackle climate change, using our innovative products to reduce energy usage in their daily lives and create impact at scale alongside our own work to do the same in our value chain.</p> <p>Our Board is responsible for overseeing, considering and reviewing the Group's environmental, social and governance (ESG) strategy, as outlined in its Schedule of Matters Reserved for the Board. The Board delegates regular oversight of sustainability to the Corporate Responsibility, Sustainability, Ethics and Compliance (CRSEC) Committee. The CRSEC Committee reviews our sustainability objectives and progress against our targets, and reports on these to the Board regularly.</p>	<p>Chief Executive Officer's Statement page 9</p> <p>Sustainability Ambitions pages 16 to 17</p> <p>Key Performance Indicators page 18 to 19</p> <p>Focus on: COP26 pages 20 to 21</p> <p>Stakeholder Engagement pages 53 and 64</p> <p>Our TCFD Summary pages 66 to 67</p> <p>Decision-making in practice and taking shareholder views into account pages 70 to 71</p> <p>Non-Financial Information Statement page 73</p> <p>CRSEC Committee Report pages 143 to 144</p>
(e) the desirability of maintaining a reputation for high standards of business conduct	<p>The Board is responsible for monitoring our culture and values, and the delivery of our strategy can only be achieved with the highest standards of business conduct. All Directors must act with integrity, lead by example, and promote the company's culture and values. We aim to create the space and opportunities to help our employees make a difference and do the right thing, always. Our Freedom to Succeed employee value proposition aims to instil, promote, reinforce, and reward the positive behaviours and attributes that make that real. Our focus is on maintaining an open, positive and inclusive culture by promoting continuing dialogue across Reckitt. Connections are forged across Reckitt in many ways, including Board site visits, virtual townhalls, regular CEO emails to employees and all-employee surveys. Our Compass and Leadership Behaviours monitor a consistent standard of cultural expectations across the Company.</p> <p>The CRSEC Committee reports to the Board after each of its meetings, providing an update on Reckitt's ethics and compliance priorities, including the Group's Speak Up programme.</p>	<p>Focus on: Culture & Inclusion pages 46 to 49</p> <p>Chair's introduction to governance page 104</p> <p>Corporate Governance Report pages 121 to 122</p> <p>Report of Directors' page 190</p>
(f) the need to act fairly as between Reckitt's shareholders	<p>The 2021 Annual General Meeting (AGM) provided an opportunity for the Board to engage directly with shareholders. Due to the ongoing COVID-19 pandemic, the AGM was held as a closed meeting. Despite being unable to meet shareholders in person, we invited shareholders to submit questions in advance of the meeting or during the meeting in real time.</p> <p>In addition, during the year, we were pleased to launch our investor seminar series. The series seeks to provide 'bite-size' look-ins on the progress we have made in our transformation to deliver sustainable growth. The first event provided investors with an opportunity to hear from the broader senior management team, including overviews on the business units and specific areas of the business such as R&D and innovation.</p>	<p>Stakeholder Engagement page 60</p> <p>Chair's introduction to governance page 107</p>

DECISION-MAKING IN PRACTICE AND TAKING STAKEHOLDER VIEWS INTO ACCOUNT

SALE OF IFCN CHINA

During the year we took decisive action to strengthen our portfolio, following a strategic review of the IFCN business in China. The Board carefully considered the proposal to sell Reckitt's IFCN business in China. Board discussions identified that trading conditions had been difficult for the IFCN business in China including, as a result of the ongoing restrictions on cross-border trade between Hong Kong S.A.R. and mainland China, the impact of increased local competition, and a slowing down of birth rates. Additionally, operating margins had been impacted by product write-offs due to lack of trade between Hong Kong S.A.R. and mainland China. The COVID-19 pandemic and the resultant recession had further impacted IFCN performance in China.

As part of the Board's decision-making, stakeholder views were considered including feedback from investors and the need to create long-term value for shareholders. The Board assessed in detail the strategic options for the IFCN business

in line with the Group strategy, assessing the advantages and disadvantages for stakeholders of selling the IFCN business in China. In addition, the Board reviewed how IFCN China could be separated efficiently, including separation of the corporate structure while also considering the impact on corporate functions, including employees. The Board also ensured protection for the employees through provisions in the sale and purchase agreement.

After a thorough review, the Board announced the sale of IFCN China to investment company, Primavera. The Board considered the long-term interests of stakeholders and concluded that the sale of IFCN China would create stakeholder value and be in the best interests of the company, aligning to our strategy and growth expectations. Our Nutrition business is now stronger and more concentrated in markets such as North America, Latin America, and ASEAN.

RB REBRANDING AS RECKITT

The Board considered management's proposal to rebrand as Reckitt, to reflect the company's renewed Purpose, Fight, Compass, and Leadership Behaviours. The Board reviewed the proposal for the rebranding as Reckitt, considering the benefits for stakeholders in the long term. Stakeholder perspectives played a key role in the Board's decision to approve and subsequently launch the new Reckitt brand. During the decision-making process, the Board reflected on the 200-year history of the company, the transformation journey of the business and our current corporate Purpose. The new Reckitt name draws upon the legacy of the founders of the business as well as our connection to Hull, UK. Reckitt reflects the existing widespread usage of Reckitt by key stakeholders and is clearer, simpler and more memorable, whilst retaining positive associations with the company's heritage.

The importance of branding formed part of Board discussion, noting that branding acts as a trust mark for our stakeholders, most notably employees, customers, and investors – but also governments, regulators, civil society (NGOs) and increasingly our consumers. The Board acknowledged that global digitisation, including the internet and social media, has made corporate brands more visible and increasingly valuable. Creating a consistent and visible brand online allows our consumers, customers and partners to get a deeper and clearer view of our behaviour and



performance, influencing opinions and decision-making about our products, as well as whether to invest in, partner with, or work for Reckitt. In addition, the Board considered that stakeholders expect heightened levels of transparency and that in attracting talent and potential employees, they look for companies with a good corporate reputation which are aligned to their values. The redevelopment of the corporate identity from RB to Reckitt is a key milestone for the company's ongoing journey of transformation towards sustainable growth and reflects our renewed Purpose and strategy. The new brand is built on how stakeholders recognise the brand; it is more powerful, consistent, and impactful.

NEW SUSTAINABILITY AMBITIONS TO 2030

The approval of our new sustainability ambitions to 2030 was a key decision for the Board during the year. The proposed sustainability ambitions were reviewed by the Board at its February meeting and our new ambitions for a cleaner, healthier world were launched in March, backed by an investment of more than £1 billion over the next ten years to ensure we meet our goals.

By 2030, our bold ambitions are to reach half the world with products that contribute to a cleaner, healthier world; engage two billion people through our programmes, partnerships, and campaigns; create a lasting impact in communities; and, together with our partners, contribute to delivering the UN Sustainable Development Goals (SDGs). Our sustainability ambitions are broken down into three focus areas, reflective of our Purpose, and include: purpose-led brands; healthier planet; and fairer society, addressing our commitment to ESG factors. The Board considered the interests and expectations of our stakeholders in the sustainability and ESG fields, including: market and benchmarking assessments of competitor, customer and consumer positions; consideration of investor focus and ESG metrics; external stakeholder implications,

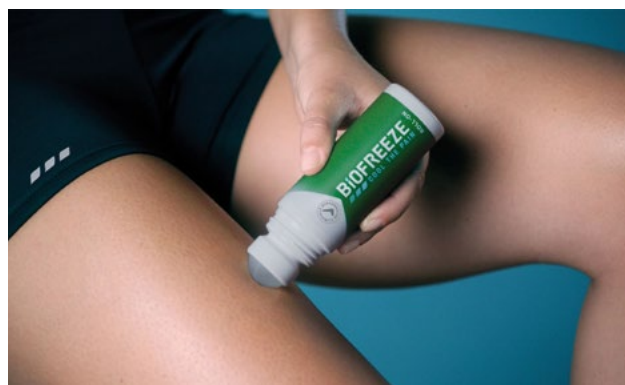


including SDGs; internal evaluation including business strategy development and leadership perspectives; and input from investors. The Board discussed the need for clear targets, outcomes for the business, the importance of measurability to enable reporting and what it meant to be carbon neutral by 2040.

BIOFREEZE ACQUISITION

In July 2021, it was announced that Reckitt had completed the acquisition of Biofreeze. The Board considered carefully the position of the brand in the market, the growth possibilities of topical analgesics in the US pain market and advantages for our stakeholders. The Board decided that Biofreeze was a strong strategic fit with Reckitt's pain portfolio and represented a unique opportunity for Reckitt in the US pain market. The Board acknowledged that the acquisition represented a unique and exciting opportunity to unlock value for Reckitt's shareholders and investors through Reckitt's expertise, global operating footprint, and infrastructure. Biofreeze is a perfect fit with Reckitt's Health platform and deepens Reckitt's presence within the broader pain category.

The Biofreeze brand serves our consumers through tapping into the growing consumer global trend for wellness and self-care, and aligns with our strategy to build a US Health footprint in new spaces and places. The acquisition presents benefits for Reckitt's stakeholders, who are highly interested in safe and effective alternatives, consistent with Biofreeze's positioning. Biofreeze has



a history of being used by athletes and professionals, and has a strong clinical foundation, placing the brand in a trusted position to serve our consumers. In addition, the Board's review of Biofreeze identified that the brand has strong existing partnerships in place and a number one position on Amazon. These factors, and the value the brand will provide for Reckitt's stakeholders, contributed to the Board's decision to approve the acquisition.