

Sustainability reporting and assurance

RB is committed to publicly reporting on and sharing our sustainability performance and strategy. This helps us demonstrate our activity, engage with our stakeholders and create greater collective support for important sustainability topics such as climate change.

1. Sustainability reporting 2018

A new approach for RB's sustainability reporting.

2. Reporting standards

We follow internationally recognised standards and criteria for our reporting.

1. Sustainability reporting 2018

Our approach to sustainability reporting has changed for 2018. In the past, RB produced a separate Sustainability Report and Detailed Sustainability Report each year. However, our stakeholders and their ways of consuming content are changing. More people than ever are interested in sustainability and the way RB approaches these issues. Because of this – coupled with the fact that more people are reading content via their smartphones and tablets – we are starting to do things differently.

www.rb.com/responsibility has been expanded and streamlined, helping our stakeholders to navigate our different sustainability projects and challenges, our approach to these issues, as well as case studies and details of partnerships. Each section of this content is supported by RB Insights.

These documents provide further information on each particular topic, including additional case studies, performance data, methodologies and links to our policies and standards.

The result is a more dynamic approach to sustainability reporting, which we believe provides a more rounded and engaging view of RB's approach to delivering social benefit and sustainable business. This dynamic format means that we can now give our stakeholders more information in 'real time'. In conjunction with traditional reporting, such as our Annual Report, we see this as an opportunity to give our stakeholders more timely and relevant information on our sustainability initiatives.

UN Sustainable Development Goals

The United Nations Sustainable Development Goals (SDGs) are a critical and growing factor for our stakeholders. The SDGs outline the global priorities for ending poverty, protecting the environment and ensuring prosperity for all.

Our purpose is to deliver healthier lives and happier homes and, in this context, we fully support delivery of all the SDGs and supporting targets by 2030.

We believe we can make the biggest impact on the following four goals: good health and wellbeing; clean water and sanitation; gender equality; and zero hunger.

We also contribute to other relevant goals and refer to the SDGs throughout our sustainability reporting to highlight one of the key driving principles for our programmes.

Annual Report 2018

As sustainability is a core part of our business strategy, a summary of our sustainability performance across our strategic pillars is also included in our Annual Report, available at rb.com

Audiences for this report

Our sustainability reporting is a key part of our continuing communication with stakeholders on our approach to and management of sustainability issues and risks for long-term profitability. We aim for open and transparent dialogue with stakeholders and we maintain a focus on material issues where we can make a real difference. This is an integral part of our culture and is reflected in the content of this report.

This report is primarily aimed at audiences that have shown most interest in our sustainability management and performance during 2018: employees, customers, shareholders/investors, consumers of our products, and advocacy and campaigning organisations.

Report profile

Our reporting covers the year ending 31 December 2018. We will be updating this content annually, on at least a calendar year data basis. Previous sustainability reports can be found at www.rb.com/responsibility/policies-and-reports/

Performance data from our Infant Formula and Child Nutrition (IFCN) business is included this year for the first time, following our acquisition of Mead Johnson Nutrition (MJN).

All our 2020 sustainability goals are based on the 2012 baseline year unless otherwise indicated.

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Listening to our stakeholders

Reporting effectively across the breadth of our sustainability issues, and the regular updates on our many programmes and activities, is always a work in progress and so we look forward to hearing your feedback – what should we keep and where can we do better?

Contact us at:

The Sustainability team
Reckitt Benckiser Group plc (RB)
103–105 Bath Road
Slough, Berkshire, SL1 3UH
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www.rb.com

2. Reporting standards

Our 2018 sustainability reporting has been prepared in accordance with the GRI Standards: Core option.

A GRI Content Index is provided in Appendix 1 of this document. It provides a navigational tool for those looking for specific information relating to the GRI Standards guidelines.

In preparing this year's sustainability information, 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.

Responsibility

The Directors are responsible for reporting the sustainability data as at 31 December 2018 in accordance with the reporting criteria as set out in the Reporting Criteria and Basis of Preparation document available at www.rb.com. In doing so, they have:

- Designed, implemented and maintained internal controls and processes over information relevant to the measurement and preparation of the sustainability data that is free from material misstatement, whether due to fraud or error.
- Established objective reporting criteria for measuring and preparing the sustainability data to meet the needs of Reckitt Benckiser's stakeholders and applied them consistently.
- Presented information, including the criteria, in a manner that provides relevant, reliable, comparable and understandable information.
- Measured and reported the sustainability data based on the reporting criteria.

Key Performance Indicators (KPIs)

The KPIs that we use in our sustainability reporting are determined by:

- The significant sustainability aspects of our operations in line with our materiality assessment.
- Independent, external sources of guidance on the indicators that we should be using to measure and report on those significant sustainability aspects.

- The indicators that are most practical to use and add most value across our business and supply chain. The GRI Standards performance indicators provide some 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).



Click here for more information on materiality.

Reporting criteria

The principles and methodologies we have used in reporting sustainability performance data for 2018 are available in our Reporting Criteria and Basis of Preparation document.



Click here to read our Reporting Criteria and Basis of Preparation.

Assurance

ERM CVS has provided independent limited assurance over selected 2018 data contained within our sustainability reporting as set out in the table in Appendix 2. Their independent assurance statement is also included in Appendix 2.



Click here to view our independent limited assurance table and statement in Appendix 2.



Click here to view the GRI Content Index and Application Level Table in Appendix 1.

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Appendix 1

Global Reporting Initiative (GRI) Standards content index

AR: 2018 Annual Report and Financial Statements

GRI Standard	Disclosure	Location	Additional information/Omissions
General Standard disclosures			
Organisational profile			
GRI 102:1	Name of the organisation	AR: Front cover	
GRI 102:2	Activities, brands, products and services	AR: Business model, p.02-03	
GRI 102:3	Location of headquarters	AR: Subsidiary undertakings, p.203	
GRI 102:4	Location of operations	AR: Subsidiary undertakings, p.203	
GRI 102:5	Ownership and legal form	AR: Independent auditors' report	
GRI 102:6	Markets served	AR: Operating reviews, p.24-33	
GRI 102:7	Scale of the organisation	AR: Business model, p.02-03	
GRI 102:8	Information on employees and other workers	Our people insight Diversity and inclusion insight	
GRI 102:9	Supply chain	Responsible sourcing insight Human rights insight	
GRI 102:10	Significant changes to the organisation and its supply chain	AR: Chief Executive's Statement, p.08-11	
GRI 102:11	Precautionary principle or approach	AR: Risk management, p.40-43	
GRI 102:12	External initiatives	Partnering for social impact insight	
GRI 102:13	Membership of associations	Human rights and responsible supply chains insight, p.02, 04 Product stewardship insight, p.02 Climate change insight, p.06 Plastics and packaging insight, p.02 Responsible sourcing insight, p.03, 06	
Strategy			
GRI 102:14	Statement from senior decision-maker	AR: Chief Executive's Statement, p.08-11	
Ethics and integrity			
GRI 102:16	Values, principles, standards and norms of behaviour	AR: Business model, p.02-03	



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GRI Standard	Disclosure	Location	Additional information/Omissions
Governance			
GRI 102:18	Governance structure	AR: Board of Directors and Executive Committee, p.58-63 Sustainability governance insight	
Stakeholder engagement			
GRI 102-40	List of stakeholder groups	AR: Business model, p.02-03	
GRI 102-41	Collective bargaining agreements	Our people insight, p.03	
GRI 102-42	Identifying and selecting stakeholders	AR: Stakeholder engagement, p.12-15 Materiality and stakeholder engagement insight	
GRI 102-43	Approach to stakeholder engagement	AR: Stakeholder engagement, p.12-15 Materiality and stakeholder engagement insight	
GRI 102-44	Key topics and concerns raised	Materiality and stakeholder engagement insight	
Reporting practices			
GRI 102-45	Entities included in the consolidated financial statements	AR: Subsidiary undertakings, p.203-221	
GRI 102-46	Defining report content and topic boundaries	Sustainability reporting and assurance insight	
GRI 102-47	List of material topics	Materiality and stakeholder engagement insight, p.01	
GRI 102-48	Restatements of information	Sustainability reporting and assurance insight	
GRI 102-49	Changes in reporting	Sustainability reporting and assurance insight	
GRI 102-50	Reporting period	Sustainability reporting and assurance insight, p.01	
GRI 102-51	Date of most recent report	Sustainability reporting and assurance insight, p.01	
GRI 102-52	Reporting cycle	Sustainability reporting and assurance insight, p.01	
GRI 102-53	Contact point for questions regarding the report	Sustainability reporting and assurance insight, p.02	
GRI 102-54	Claims of reporting in accordance with the GRI Standards	Sustainability reporting and assurance insight, p.02	
GRI 102-55	GRI content index	Sustainability reporting and assurance insight, p.03-07	
GRI 102-56	External assurance	Sustainability reporting and assurance insight, p.09-10	
Topic-specific standards			
Category: Economic			
GRI 201 Economic Performance			
GRI 201-1	Direct economic generated and distributed	AR: Notes to the Financial Statements, p.142-192	



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GRI Standard	Disclosure	Location	Additional information/Omissions
GRI 201-2	Financial implications and other risks and opportunities due to climate change	AR: Risk management, p.40-43 Understanding climate change risks insight, p.02	
GRI 203 Indirect Economic Impacts			
GRI 205 Anti-corruption			
GRI 205-1	Operations assessed for risks related to corruption	Business conduct insight, p.01-02	
GRI 205-2	Communication and training about anti-corruption policies and procedures	Business conduct insight	
GRI 205-3	Confirmed incidents of corruption and actions taken	Business conduct insight	
Category: Environmental			
GRI 302 Energy			
GRI 302-1	Energy consumption within the organisation	Climate change insight, p.07	
GRI 302-4	Reduction of energy consumption	Climate change insight	
GRI 302-5	Reductions in energy requirements of products and services	Climate change insight Sustainable innovation insight, p.04	
GRI 303 Water			
GRI 303-1	Water withdrawal by source	Water resources insight, p.03, 05-06	
GRI 303-2	Water recycled and reused	Water resources insight	
GRI 304 Biodiversity			
GRI 304-2	Significant impacts of activities, products and services on biodiversity	Responsible sourcing insight	
GRI 305 Emissions			
GRI 305-1	Direct (Scope 1) GHG emissions	Climate change insight, p.07	
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Climate change insight, p.07	
GRI 305-3	Other indirect (Scope 3) GHG emissions	Climate change insight, p.07	
GRI 305-4	GHG emissions intensity	Climate change insight, p.07	
GRI 305-5	Reduction of GHG emissions	Climate change insight, p.06	
GRI 305-6	Emissions of ozone-depleting substances (ODS)	Climate change insight, p.03	
GRI 306 Effluents and Waste			
GRI 306-1	Water discharge by quality and destination	Water resources insight, p.04	
GRI 306-2	Waste by type and disposal method	Waste from our operations insight	
GRI 306-3	Significant spills	Water resources insight, p.04	



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GRI Standard	Disclosure	Location	Additional information/Omissions
GRI 307 Environmental Compliance			
GRI 307-1	Non-compliance with environmental laws and regulations	Responsible sourcing insight, p.05-06	
GRI 308 Supplier Environmental Assessment			
GRI 308-1	New suppliers that were screened using environmental criteria	Responsible sourcing insight, p.05 Human rights and responsible supply chains insight	
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	Responsible sourcing insight	
Category: Social			
GRI 404 Employment			
GRI 401-1	New employee hires and employee turnover	Diversity and inclusion insight, p.04	
GRI 401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our people insight	
GRI 402 Labour/Management Relations			
GRI 402-1	Minimum notice periods regarding operational changes	Our people insight	
GRI 403 Occupational Health and Safety			
GRI 403-3	Types of injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities	Employee health and safety insight, p.03	
GRI 404 Training and Education			
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Our people insight, p.04	
GRI 405 Diversity and Equal Opportunity			
GRI 405-1	Diversity of governance bodies and employees	Diversity and inclusion insight, p.04	
GRI 406 Non-Discrimination			
GRI 406-1	Incidents of discrimination and corrective actions taken	Diversity and inclusion insight	
GRI 407 Freedom of Association and Collective Bargaining			
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Our people insight, p.03	
GRI 408 Child Labour			
GRI 408-1	Operations and suppliers at significant risk for incidents of child labour	Responsible sourcing insight Human rights and responsible supply chains insight, p.03	
GRI 409 Forced or Compulsory Labour			



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GRI Standard	Disclosure	Location	Additional information/Omissions
GRI 409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Responsible sourcing insight Human rights and responsible supply chains insight, p.03	
GRI 412 Human Rights Assessment			
GRI 412-2	Operations that have been subject to human rights reviews or impact assessments	Responsible sourcing insight Human rights and responsible supply chains insight, p.05-06	
GRI 413 Local Communities			
GRI 413-1	Operations with local community engagement, impact assessments and development programmes	Partnering for social impact insight	
GRI 414 Supplier Social Assessment			
GRI 414-1	New suppliers that were screened using social criteria	Human rights and responsible supply chains insight, p.05 Responsible sourcing insight	
GRI 414-2	Negative social impacts in the supply chain and actions taken	Human rights and responsible supply chains insight, p.06 Responsible sourcing insight	
GRI 416 Customer Health and Safety			
GRI 416-1	Assessment of the health and safety impacts of products and service categories	Product stewardship insight, p.01	
GRI 417 Marketing and Labelling			
GRI 417-1	Requirements for product and service information and labelling	Product stewardship insight, p.01-04	



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Appendix 2

Table of indicators (2018 data marked † subject to ERM CVS limited assurance)

	Units	2012	2013	2014	2015	2016	2017	2018
Healthier Communities (Social Metrics)								
People reached to improve their health and hygiene	millions (cumulative)	–	24	141	237	365	568	765†
Better Design (Product Metrics)								
Total Net Revenue from more sustainable products ²	£ million	–	230 ¹	325 ¹	558	1,193	1,716 ⁷	1,868†
Total carbon footprint ⁵	million tonnes	31.1 ⁸	–	–	–	–	34.0 ⁸	34.0†
Total water impact ⁵	million e-litres	4,215,800 ⁸	–	–	–	–	4,327,600 ⁸	4,983,800†
Manufacturing Responsibly (Environment Metrics)								
Total GHG Scope 1 and 2 emissions from manufacturing, R&D, offices and warehouses (market based) ³	tonnes CO ₂ e	–	–	–	294,087	269,045	264,648 ⁴	396,070†
GHG emissions from energy use in manufacturing and warehouses ⁵	tonnes CO ₂ e per 1,000 CU	0.0402	0.0392	0.0374	0.0347	0.0313	0.0278	0.0260†
Energy use at manufacturing and warehouses ⁵	GJ per 1,000 CU	0.4704	0.4488	0.4130	0.3959	0.3939	0.3767	0.3640†
Water use at manufacturing and warehouses ⁵	m ³ per 1,000 CU	0.964	0.788	0.718	0.675	0.657	0.612	0.5981†
Water discharges from manufacturing and warehouses ⁵	tonnes per 1,000 CU	0.496	0.344	0.289	0.281	0.289	0.238	0.246
Waste at manufacturing and warehouses ⁵	tonnes per 1,000 CU	0.0117	0.0114	0.0105	0.0100	0.0094	0.0092	0.0086
Hazardous waste at manufacturing and warehouses ⁵	tonnes per 1,000 CU	0.0016	0.0016	0.0014	0.0012	0.0013	0.0013	0.0014
Our People (Health & Safety Metrics)								
Lost Working Day Accident Rate ⁶	per 100,000 hrs	0.107	0.107	0.093	0.080	0.071	0.121	0.084†
Employee fatalities	number	1	0	0	1	2	0	1†
Severe accidents	number	1	1	2	3	1	2	4†
Diversity								
Women employed – Board	% at 31 December	20	10	17	29	27	27	27†
Women employed – senior management ⁹	% at 31 December	16	17	19	19	20	24	25†
Women employed – global employees	% at 31 December	41	42	42	42	42	44	44†

- † 2018 data included in ERM CVS's limited assurance scope.
- 1 2013 and 2014 total Net Revenue from more sustainable products Q1-Q3.
- 2 Based on 12-month periods from Q4 to Q3. Our 2018 data excludes our Infant Formula and Child Nutrition business.
- 3 GHG emissions data are in line with the GHG Protocol Scope 2 Guidance (2015) market-based approach as outlined in our Reporting Criteria. Following a location-based approach, our Scope 2 emissions for 2018 were 309,179 tonnes of CO₂e and our total Scope 1 and 2 tonnes of CO₂e were 457,393.
- 4 Restatement of 2017 total GHG emissions for Scope 1 and 2 (previously reported to be 227,776 CO₂e), due to correction of identified calculation error.
- 5 Following acquisition in 2017, the Mead Johnson Nutrition business was integrated into RB and now forms our Infant Formula and Child Nutrition (IFCN) business. Data from acquisitions is usually 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). However, where a reduction target has been set in relation to a baseline year, and data from previous years or a baseline year is not available for IFCN, annual performance data is presented excluding IFCN in order to ensure year-on-year comparison with the baseline. In these cases, a separate entry for the reporting year will provide the total performance data including IFCN data. Including IFCN, 2018 manufacturing and warehouse GHG emissions were 0.0423 CO₂e per 1,000 CUs, energy use was 0.6304 GJ per 1,000 CUs, water use was 1.1056 m³ per 1,000 CUs, water discharges 0.738 m³ per 1,000 CUs, waste was 0.0127 tonnes per 1,000 CUs and hazardous waste was 0.0016 tonnes per 1,000 CUs. For products, the total carbon footprint was 38.4 million tonnes CO₂e, and water impact was 5,441,500 million e-litres.
- 6 LWDAR 2012–2016 at manufacturing, warehouses and R&D. LWDAR 2017–2018 at manufacturing, warehouse, R&D and commercial sites also includes organised travel.
- 7 In 2017, DvM (Developing Markets) data from Q4 2016–Q3 2017; ENA (Europe North America) data covers FY 2017. 2017 numbers were restated following the app accuracy update in 2018.
- 8 2012 and 2017 data were restated following minor changes to the calculation methodology and to reflect acquisitions and divestments.
- 9 For 2018, senior management is defined as the Executive Committee, the Group Leadership Team and the Senior Management Team.



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Independent Assurance Statement to Reckitt Benckiser Group plc

Reckitt Benckiser Group plc (RB) engaged ERM Certification and Verification Services (ERM CVS) to provide limited assurance in relation to specified information in RB Insights: Sustainability Reporting and Assurance as set out below.

Engagement summary	
Scope of our assurance engagement	Whether the following indicators, marked † in Appendix 2, for year ended 31 December 2018 are fairly presented, in all material respects, with the reporting criteria: Healthier Communities (Social Metrics) • People reached to improve their health and hygiene (millions cumulative) Better Design (Product Metrics) • Total Net Revenue from more sustainable products (£ million) • Total carbon footprint (million tonnes) • Total water impact (million e-litres) Manufacturing Responsibly (Environment Metrics) • Total GHG Scope 1 and 2 emissions from manufacturing, R&D, offices and warehouses (tonnes CO₂e) • GHG emissions from energy use in manufacturing and warehouses (tonnes CO₂e per 1,000 CU) • Energy use at manufacturing and warehouses (GJ per 1,000 CU) • Water use at manufacturing and warehouses (m³ per 1,000 CU) Our People (Health & Safety metrics – employees and contractors) • Lost Working Day Accident Rate (per 100,000 hrs) • Employee Fatalities (number) • Severe accidents (number) Diversity • Women employed – Board (% at 31 December) • Women employed – senior management (% at 31 December) • Women employed – global employees (% at 31 December)
Reporting criteria	RB's own internal reporting criteria and definitions. RB Reporting Criteria Basis for Preparation 2018
Assurance standard	ERM CVS's assurance methodology, based on the International Standard on Assurance Engagements ISAE 3000 (Revised).
Assurance level	Limited assurance.
Respective responsibilities	RB is responsible for preparing the specified information and for its correct presentation in reporting to third parties, including disclosure of the reporting criteria and boundary. ERM CVS's responsibility is to provide conclusions on the agreed scope based on the assurance activities performed and exercising our professional judgement.

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Our conclusions

Based on our activities, nothing has come to our attention to indicate that the 2018 indicators, as listed above, are not fairly presented, in all material respects, with the reporting criteria.

Our assurance activities

Our objective was to assess whether the reporting of the 2018 indicators is in accordance with the principles of completeness, comparability (across the organisation) and accuracy (including calculations, use of appropriate conversion factors and consolidation).

We planned and performed our work to obtain all the information and explanations that we believe were necessary to provide a basis for our assurance conclusions.

A multi-disciplinary team of sustainability and assurance specialists performed the following activities:

- interviews with relevant staff at RB corporate offices to understand and evaluate the data management systems and processes (including IT systems and internal review processes) used for collecting and reporting the selected data;
- a review of the internal reporting criteria, definitions and conversion factors used;
- discussions with nine manufacturing locations to test local reporting processes and consistency of reported annual data with selected underlying source data for each indicator. We interviewed relevant staff, reviewed site data capture and reporting methods, checked calculations and assessed the local internal quality and assurance processes;
- an analytical review of the data from all sites and a check on the completeness and accuracy of the corporate data consolidation;
- year-end assurance activities at corporate level including the results of internal review procedures and the accuracy of the consolidation of the data for the selected indicators from the site data; and
- reviewing the presentation of information relevant to the scope of our work to ensure consistency with our findings.

The limitations of our engagement

The reliability of the assured data is subject to inherent uncertainties, given both the available methods for determining, calculating or estimating the underlying information and the dependence on partner organisations to provide performance information. It is important to understand our assurance conclusions in this context.



Jennifer Iansen-Rogers

Head of Corporate Assurance, 7 March 2019

ERM Certification and Verification Services, London

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ERM CVS is a member of the ERM Group. The work that ERM CVS conducts for clients is solely related to independent assurance activities and auditor training. Our processes are designed and implemented to ensure that the work we undertake with clients is free from bias and conflict of interest. ERM CVS employees that have undertaken this engagement have provided no consultancy-related services to RB in any respect.