



**RECKITT BENCKISER GROUP PLC (the “Company”)  
SCHEDULE OF MATTERS RESERVED FOR THE BOARD  
As amended on 17 November 2020**

The following are matters reserved for the Board.

**STRATEGY AND MANAGEMENT**

- Responsibility for the overall leadership of Reckitt Benckiser Group plc (the “Company”) and its subsidiaries (together, the “Group”) and setting the Group’s purpose, values and standards and satisfying itself that these are aligned with its culture.
- Ensuring that views of shareholders and other key stakeholders are understood and considered when making decisions, in order to promote the long-term sustainable success of the Group and its contribution to wider society.
- Responsibility for ensuring that the necessary resources are in place for the Group to meet its objectives and measure performance against them.
- Approval of Group strategic aims, and objectives.
- Final approval of the Group’s annual operating and capital expenditure budgets and corporate plans and any material changes to them, to include cash flow.
- Review of performance in the light of the Company/Group’s strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- Approval of extension of the Group’s activities into new business or geographic areas.
- Oversight of the Group’s operations ensuring competent and prudent management, sound planning, an adequate system of internal control and assurance, adequate accounting and other records and compliance with statutory and regulatory obligations.
- Any decision to cease to operate all or any material part of the Group’s business.

**CULTURE AND VALUES**

- On-going assessment and monitoring of the Group’s culture, including ensuring that policies, practices and procedures are aligned with the Group’s purpose, values and strategy.
- Ensuring that workforce policies and practices are consistent with the Group’s values and support its long-term sustainable success.

**STRUCTURE AND CAPITAL**

- Approval of changes relating to the Company/Group’s capital structure including reduction of capital, share issues (except under employee share plans), share buybacks, major debt financing and the use of treasury shares.
- Major changes to the Group’s management and control structure.
- Major changes to the Group’s corporate structure, including, but not limited to, acquisitions and disposals of shares which are material relative to the size of the Group (taking into account initial and deferred consideration).
- Approval of any major restructuring or reorganisation of the Group.
- Any changes to the Company’s listing or its status as a plc.
- Approval of any proposed alteration to the Articles of Association of the Company (subject to shareholder approval).
- Any action which would require the approval of shareholders.

**FINANCIAL REPORTING AND CONTROLS**

- Approval of the preliminary announcement of final results, the half yearly report and interim management statements prior to publication.
- Approval of the annual report and accounts including the strategic report, the corporate governance report, the directors’ report, the statement of directors’ responsibilities and the directors’ remuneration report, following recommendation from the relevant Board committees.
- Approval of the dividend policy, declaration of the interim dividend and recommendation of the final dividend.



- Approval of any significant changes in accounting policies or practices that have a material impact on the Group's results.
- Approval of foreign currency transactions beyond normal trading requirements (e.g. forward purchases to meet trading forecasts over the next 18 months).
- Approval of the Group's Treasury policies.
- Approval of the Group's risk management policies.
- On being satisfied that reporting on going concern and longer-term viability statements gives a fair, balanced and understandable overview of the Company/Group's position and prospects, approving an appropriate statement for inclusion in the annual report.
- Establishing formal and transparent policies and procedures to ensure the independence and effectiveness of internal and external audit functions, to ensure the board is satisfied on the integrity of financial and narrative statements.

### **RISK AND COMPLIANCE**

- In conjunction with the Audit and CRSEC Committees where appropriate, establish procedures to manage risk, oversee the internal control framework and determine the nature and extent of the principal risks the Group is willing to take in order to achieve its long-term strategic objectives.
- At least annually, to conduct a review of the effectiveness of the Group's system of internal control and to report to shareholders in the Company's annual report and accounts that this has been done. The review is to cover all controls including financial, operational and compliance controls and risk management.
- Carry out a robust assessment of the Group's emerging and principal risks and approve the Group's risk management strategy in light of its long-term strategic objectives and to report to shareholders in the Company's annual report and accounts that it has completed this assessment, including a description of the principal risks, and whether the Company will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment.
- Approval of the Group's procedures for the detection of fraud and prevention of bribery.
- Oversight of the review and assessment of the effectiveness of the arrangements in place for the management of compliance with legal, statutory, regulatory and ethical requirements.
- Oversight of management systems in the risk areas of health and safety, people, the environment and security.

### **CONTRACTS**

- Any increase in, or significant variation in the terms (other than arising from changes in interest rates) of, the borrowing facilities available to the Group, provided that the CEO and CFO may jointly approve additional facilities up to a maximum of £250 million in any one year.
- Acquisitions/disposals of private companies or businesses not within the City Code on Takeovers and Mergers, subject to the following level of delegated authority:  
**CEO: Up to £50 million**
- Approval of capital expenditure projects outside the scope of the approved annual budgets and corporate plans, subject to the following levels of delegated authority:  
**CEO: Up to £50 million**  
*(Note: the acquisition of leasehold premises or leased equipment is subject to the same limits based on the discounted value of projected lease payments).*
- Contracts which are material strategically.
- Transactions of Group subsidiaries within the same constraints.

### **COMMUNICATIONS**

- Ensuring there is effective engagements with, and participation from shareholders and stakeholders based on the mutual understanding of objectives and reviewing the engagement mechanisms to ensure they remain effective.
- Calling of general meetings of the Company's shareholders and approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.



- Approval of all circulars, prospectuses and listing particulars.
- Approval of press releases concerning matters decided by the Board.
- Receiving reports on the views of the Company's shareholders to ensure that they are communicated to the Board as a whole.

#### **BOARD MEMBERSHIP AND OTHER APPOINTMENTS**

- Changes to the Board governance framework including the structure, size and composition of the Board, following recommendations from the Nomination Committee.
- Board appointments or removals, including that of the Chair, Chief Executive Officer, Senior Independent Director and designated Non-Executive Director for Engagement with the Company's workforce following recommendations by the Nomination Committee, remuneration arrangements and termination payments.
- Ensuring adequate succession planning for the Board and senior management<sup>1</sup>, to maintain an appropriate balance of skills, experience and knowledge within the Company and on the Board, ensuring a diverse pipeline of succession. Appointments should be based on merit and objective criteria, and within this context, promote diversity of gender, social and ethnic backgrounds, cognitive and personal strengths.
- Membership and Chairmanship of Board committees following recommendations from the Nomination Committee.
- Continuation in office of directors at the end of their term of office, when they are due to be re-elected by shareholders at the AGM and otherwise as appropriate.
- Continuation in office of any director at any time, including the suspension or termination of service of an executive director as an employee of the Company, subject to the law and their service contract.
- Appointment or removal of the Company Secretary (reserved to the full Board exclusively).
- Appointment, reappointment or removal of the external auditor to be put to shareholders for approval in general meeting, following the recommendation of the Audit Committee.

#### **REMUNERATION**

- Determining the Group's remuneration policy for the Chair, Chief Executive, executive directors and senior management, following recommendation by the Remuneration Committee.
- Determining the remuneration of the non-executive directors, subject to the Articles of Association and shareholder approval as appropriate.
- The introduction of new share incentive plans or major changes to existing plans, to be put to shareholders for approval.

#### **CORPORATE GOVERNANCE MATTERS**

- Undertaking a formal and rigorous annual review of its own performance, that of its Committees and individual directors.
- Determining the independence of non-executive directors in light of their character, judgement and relationships and reporting to shareholders on independence in the Company's annual report.
- Considering the balance of interests between shareholders, employees and customers, and the impact of the Company's operations on the community and the environment.
- Annual review of the Register of Directors' conflicts of interests and taking action to identify and eliminate conflicts of interest, including those resulting from significant shareholdings, and ensuring the influence of third parties does not compromise or override independent judgement.
- Consideration and, if thought appropriate, authorisation of any perceived conflict of interest notified by a director, where permitted by the Company's Articles of Association.
- Review of the Group's overall corporate governance arrangements.

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<sup>1</sup> The definition of 'senior management' for this purpose is the executive committee or the first layer of management below Board level, including the Company Secretary.



- Agreeing the responsibilities of the Chair, Chief Executive, Senior Independent Director, Board committees and the Board as set out in writing and publishing them on the Company's website.
- Approval of the formal division of responsibility between the Chair and Chief Executive Officer which should be clearly established, set out in writing and agreed by the Board.
- Approval of and changes to delegated levels of authority, including the Chief Executive's authority limits (which must be in writing).
- Establishing Board committees, approving their terms of reference and approving any changes thereto.
- Receiving reports from Board committees on their activities.
- Approval of this Schedule of Matters Reserved for Board decisions.

#### **OTHER**

- Approval of high-level policies and other material policies which are strategic or reputational.
- No political donations will be made.
- Change in situation of the Company's registered office.
- Prosecution, commencement, defence or settlement of litigation, or an alternative dispute resolution mechanism if material to the interests of the Group.
- Approval of the overall levels of insurance for the Group including Directors' & Officers' liability insurance and indemnification of directors.
- Reviewing arrangements by which the Group's workforce may, in confidence and anonymously, raise concerns and ensuring that arrangements are in place for the proportionate and independent investigation of such matters and for appropriate follow-up action.
- Major changes to arrangements concerning the Company's pension scheme.
- Any decision likely to have a material impact on the Company/Group from any perspective, including, but not limited to, financial, operational, strategic or reputational.

Matters which the Board considers suitable for delegation are contained in the terms of reference of its Committees. The Board has established an Audit Committee, Corporate Responsibility, Sustainability, Ethics and Compliance Committee, Nomination Committee and Remuneration Committee of the Board. The CEO has also been delegated powers which are set out in writing. In addition, the Board will receive reports and recommendations from time to time on any matter which it considers significant to the Group.

The Board will monitor and review the effectiveness of this Schedule on a regular basis.