Our purpose is to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world. And we do not take this lightly. As a FTSE 100 company, with significant business in high-risk countries and some products developed for young children, we know this requires the highest levels of ethical behaviour and responsibility.

Our Compass

Put consumers and people first
Build shared success
Seek out new opportunities
Do the right thing. Always.
Strive for excellence

Introduction
Our commitment to “Do the right thing. Always” lies at the centre of everything we do. This commitment, alongside our values, is set out in our Compass (see above). We aim to act responsibly and with integrity; put consumers and people first; seek out new opportunities; strive for excellence and build shared success.

Ethics and Compliance programme
Conducting our business according to the highest ethical standards, means respecting all the laws and regulations of each country where we operate. This includes, but is not limited to, data privacy, competition law, trade sanctions, anti-money laundering and anti-bribery regulations. We work hard to prevent unethical behaviour and will respond promptly and take corrective action in case of any violation of our policies or ethical standards.

Our Ethics and Compliance programme has eight pillars aligned to our principles and values. It aims to identify risks so they can be assessed and mitigated in good time. The programme develops effective lines of communication to foster a culture of integrity and transparency. It helps us implement policies, procedures and controls to monitor compliance with our guidelines, as well as local and international regulation. As part of the programme, we also deliver effective, innovative training and education.
Our business leaders are committed to creating a culture where people act responsibly and with integrity. This is a key element of Reckitt’s Ethics and Compliance programme. The business leaders within Reckitt are responsible for maintaining this programme and our standards. Our Ethics and Compliance team, led by the Chief Ethics and Compliance Officer (CECO), leads our activity and supports the business in achieving its objective. Working as one global team, they help all employees to play by the rules and meet Reckitt’s high ethical standards and expectations.

A new Code of Conduct

Our Ethics and Compliance programme is based on our Code of Conduct. In June 2020, we published a new Code of Conduct, which provides clear guidance on our rules and principles, and outlines what we expect from all employees and contractors.

The new Code is more user-friendly and makes it easier for our people to engage with the content. It was launched with an introductory video message from our CEO, Laxman Narasimhan, in 26 different languages.

The Code provides guidance on matters such as fair competition, trade sanctions, anti-bribery and corruption, caring for consumers, health and safety and Speak Up (our confidential channel for employees to raise concerns of unethical behaviour). The Code also contains guidance for managers when facing difficult decisions and how to handle concerns raised by their teams.

2020 highlights

Our work this year

Adapting to new ways of working through a global pandemic often meant using technology in place of our usual face-to-face sessions to complete compliance reviews, monitoring activities, compliance audits and training.

Risk assessment and monitoring

Regular risk assessments are a key element of Reckitt’s Ethics and Compliance programme, helping us to mitigate risk and inform Reckitt leaders of challenges they might be facing.

In 2020, we conducted compliance risk assessments in more than 33 countries and across all our global business units to analyse our progress. Ernst & Young assessed our global programme and conducted an independent review of our compliance processes in China, Mexico and India. They recognised the areas where our Ethics and Compliance programme is more mature, and identified where we can strengthen and improve it.

Data protection

Following the completion of our GDPR project in early 2020, under the direction of Reckitt’s Global Data Privacy Officer, the Reckitt team developed a three-year Privacy Continuous Improvement Plan to further enhance the maturity of our privacy posture. During 2020, we completed the roll-out of privacy programmes in the US and Brazil to comply with the California Consumer Protection Act (CCPA) and the Data Protection Legislation Law (DPLL). During 2020, Reckitt had no reportable incidents relating to customer privacy breaches (read our Privacy Policy for more information – www.reckitt.com/privacy-policy/).

Policies

We continue to update and create new policies when needed. Building on the launch of our Global Anti-Money Laundering and Sanctions policy, and policy to regulate our interactions with healthcare professionals in 2019, this year we developed a new Corporate Security policy.

Our corporate responsibility framework comprises our Code of Conduct; policies on key topics; procedures we follow; and reporting tools. Our policies and reports cover our position on a comprehensive range of issues and are available on reckitt.com.

Infrastructure

We increased investment in our ethics and compliance infrastructure to improve our data analytics capabilities and boost transparency across the business. This included a new system to report Speak Up issues; a new register for gifts and entertainment, and reports of conflict of interest; and a new process to assess the fair market value of our interactions with healthcare professionals.

Working with third parties

Acting responsibly isn’t just about our employees upholding our high standards, but everyone in our global value chain – contractors, vendors and distributors. Our third-party Code of Conduct ensures Reckitt’s partners clearly understand our expectations and requirements when working with us. This is helping to strengthen our business relationships by building trust.

Our Anti-Bribery and Corruption Programme is continuously evolving. In 2020, we partnered with Transparency International (the leading global anti-corruption and anti-bribery organisation) to benchmark our own programme against industry peers. The assessment’s findings were very favourable and scored our anti-corruption practices amongst the highest levels in our peer group with positive scores.

As part of our Anti-Bribery and Corruption Programme, we are implementing more mature controls to assess third parties. We are currently rolling out an enhanced due diligence process, which will allow us to tailor our due diligence assessments and management approach to each third party’s risk profile. This provides us with additional assurance around the third parties we work with.

Training

Every year, all employees and contractors must take our mandatory Compliance Passport training to better understand our Code of Conduct and important corporate policies. We redesigned this training in 2020, which is now composed of seven different modules:

• Code of Conduct
• Speak Up
• Product safety
• Data privacy
• Cyber security
• Anti-bribery and anti-corruption
• Competition law.

In 2019, 98% of our employees completed mandatory Compliance Training. In 2020 the training was divided into two phases and employees have until March 2021 to complete all modules.

Speak Up service

To uphold our high standards, we create a transparent and supportive environment where employees are encouraged to speak out when they see unethical behaviour or violations of our Code of Conduct. Speak Up, our confidential online and freephone service, is a trusted channel for employees to raise concerns. During 2020, a total number of 439 issues were reported via Speak Up. All these matters were reviewed and initiated 360 formal investigations, of which 101 were found to be substantiated. In 2020, 60 employees were disciplined for policy violations and a total of 37 employees were dismissed or voluntarily left the business following the conclusion of Speak Up investigations.
Ethical behaviour continued

Despite all the challenges, we remain confident in our Ethics and Compliance programme. We will continue to strengthen the programme, supported by strong leadership and by continuous improvement of our data analytics capabilities to help us identify and address emerging issues.

Listening to our stakeholders
Reporting effectively across our many sustainability issues and giving regular updates on our programmes and activities is always a work in progress. So we appreciate your feedback. What should we keep doing? And where can we do better?

Email us at sustainability@reckitt.com.

Or write to:
The Sustainability team
Reckitt Benckiser Group plc (Reckitt)
103–105 Bath Road
Slough
Berkshire
SL1 3UH
UK

Ethical marketing
We can only build a responsible business if consumers trust our actions. We use our brands to communicate with our consumers and share brand benefits, as well as to demonstrate Reckitt's values and purpose. We believe in representing the diversity of our consumers through our marketing, advertising and promotional activity and we avoid objectionable stereotypical portrayals. (See the Inclusion insight for more information.)

Beyond advertising, our ethical marketing principles also apply to our products. This means our products and ingredients must be beneficial to our consumers, with their safety and efficacy supported by adequate scientific evidence. Our products must also comply with legal regulations. In many cases, we go beyond legal requirements. We also expect our suppliers to subscribe to these high standards and to sustainable sourcing policies for all our products, ingredients and components.

Finally, we must safeguard our consumers and their families at home by reinforcing the safe use of our products. We do this by ensuring products that may be harmful to children are clearly labelled. We also use other measures such as safety caps.

We have four principles of ethical marketing:
1. Be truthful and clear in all communications
2. Be fair in our pricing
3. Ensure product transparency
4. Protect consumer data and privacy.

Looking forward to 2030 and beyond
We will continue our journey to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world. And we recognise that social, economic and environmental challenges will likely tighten the regulatory environment for all businesses.

Respecting data privacy and competition laws, for example, will become even more important. Consumers will look for more ethical and inclusive companies, with strong and reliable principles and processes.

Reckitt will continue to expand its business in highly-regulated markets, requiring ongoing focus and attention to ensure we abide by all laws and regulations. Faster growth in developing countries also poses potentially higher risks, and we will remain focused on managing those issues.