

OUR PEOPLE



# INSPIRING AND SUPPORTING OUR PEOPLE

**The talented people who work at Reckitt want to make a difference in the world. They are inspired by our purpose and our fight, and guided by our compass. We give colleagues the space, the opportunities and the chance to have a real and positive impact. It's what we call Freedom to Succeed.**

## How we engage

Our success as a business is founded on our strong, distinctive culture. We want all colleagues to have a sense of belonging and take personal pride in what they do. Our approach is anchored by our purpose: the relentless pursuit of a cleaner, healthier world. The behaviours we share are guided by our compass; doing the right thing, always, is fundamental for everyone here. 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, inclusive culture by promoting continuing dialogue across the company. We forge connections across the company in many different ways: via site visits, at virtual townhalls and through surveys, forums and focus groups for special interest areas.

Maintaining rich and active communications across the company is a priority for Laxman Narasimhan, our CEO. His popular car-pool conversations – informal chats with team members on the commute to work – were halted by COVID-19, but he along with other senior leaders continued to connect with colleagues with regular, screen-enabled sofa chats and through the Stronger Together series. All colleagues are encouraged to connect directly with senior leaders, via email and in live-streamed Q&A sessions.

The pandemic constrained site visits this year, but the leadership team and Board directors held regular virtual focus groups, townhalls and broadcasts with our teams. We ran virtual onboarding sessions for new GEC members, which included tours of key markets. There were also regional and domain-specific meetings with general managers and function leaders.

On social media our active LinkedIn presence is followed by over 30,000 Reckitt employees. There is also high employee engagement on other social channels and increasing interaction on internal social platforms.

We conducted regular surveys using an online tool, Glint, that yield detailed, in-depth insights into employee sentiment. There were two general all-employee surveys and three that asked for specific, COVID-19 related responses during 2020. Reckitt scored highly on overall engagement. Over 70% of those surveyed responded, including a significant number of responses from our manufacturing employee base. The feedback showed a highly motivated workforce, strongly committed to our purpose and fight. When asked to rate how proud they were to work here, they ranked Reckitt well ahead of our global peers.

The surveys also identified opportunities for improving performance. Colleagues were broadly positive about our equal opportunities policies, our investment in

people and our status as a smarter, leaner workplace, although we still have work to do to raise the bar in these areas. This tallies with the three key themes emerging from employee feedback generally. First, our people are concerned about inclusion and the associated topics of equality of opportunity and career development. Second, although they were positive about currently available opportunities they wanted more investment in training and development. The third strand, highlighted by the pandemic, is a desire for smarter, more flexible working practices. We are addressing all of these areas in a spirit of continual improvement.

CASE STUDY

# IN THE FRONT LINE AGAINST COVID-19

Jingzhou city in Hubei province is close to Wuhan, where the coronavirus epidemic began. It is home to one of Reckitt's biggest manufacturing plants for Dettol.

When Hubei went into lockdown the factory's products were desperately needed, but most of its 400 workers had left the city for the weeklong Chinese New Year (Spring Festival) celebrations. Managers worked with the government to get travel permits and accommodation. Nearly 300 colleagues agreed to come back: one worker made a six-hour bicycle trip, another walked 13 hours. They boosted dwindling mask supplies with a donation from a nearby factory and put the workers up in local hotels, where they remained isolated for several weeks.

Everyone understood that Reckitt was in the front line against COVID-19; the workers gave up a lot to play their part. The factory earned plaudits for its efforts and was recognised with a global award from the CEO – the Sir James Reckitt Award – Reckitt's highest accolade.

**Reckitt spirit**

In crisis, the Reckitt spirit comes out even stronger among our people. We saw that after the Beirut explosion, colleagues set up online support groups and raised over \$1 million for employees and their families. And we saw that by how people stepped up in the face of a global pandemic, we had factory workers living on site to keep production going. To take just one example, our IFCN facility in Makati in the Philippines keep vital nutrition supplies flowing for children under curfew conditions. They converted office space to make 'the Reckitt hotel'. Some were living there for weeks on end without seeing their families.

When we had to close our offices colleagues adapted immediately. Face-to-face training programmes were swapped for virtual equivalents. Our IT specialists worked tirelessly to get our global systems fit for purpose.

Reckitt has become a key strategic player in the fight to stop the spread of COVID-19. This would never have been possible without the extraordinary efforts of so many of our colleagues.

**Leading by example**

In 2020 we developed leadership behaviours with the Group Executive Committee that translate our compass into meaningful action. The compass calls on colleagues to put consumers and people first, seek out new opportunities, strive for excellence, build shared success and above all, do the right thing, always. Our expectation of leaders is that they support and reinforce these behaviours. We ask them to own their area of the business and make decisions that matter. They should spot opportunities, innovating, iterating and scaling and building better in everything that they do. We expect them to care for their colleagues, actively listening and including and working together to deliver. These behaviours are being embedded into the assessment of talent and performance across the organisation.

**Reckitt Leaders...**

**Own:** Live our purpose, fight and compass. Know our business. Make decisions.

**Create:** Spot opportunities. Innovate, iterate and scale. Relentlessly build better.

**Care:** Actively listen, learn and include. Speak direct with respect. Act to unleash potential.

**Deliver:** Focus on what matters. Move boldly and at pace. Join forces to win bigger.

**Diversity and inclusion (D&I)**

We have over 43,500 colleagues operating in 60 countries across six continents from 120 different nations. It's incumbent on us to work together to embrace our diversity and build inclusion into everything we do, not just to create a sense of belonging within the company but to make better connections with the global community we serve.

In 2020 we have been working hard to make our culture more inclusive. We've established a D&I board chaired by our CEO. We also commissioned EY to give us an external perspective on where we are and where we could be. The EY diagnostic included an online listening exercise with feedback from 2,000 Reckitt people, focus groups in different languages, and interviews with key stakeholders, including members of the D&I board, Group Executive Committee and senior Reckitt leaders.

We have six workstreams in our inclusion strategy: leadership, policies, people, partnerships, procurement and brands. The leadership pillar ensures that inclusion is role-modelled, endorsed and promoted at a senior level. Our policies should be inclusive by design; we are reviewing these to ensure that's the case. The people pillar is about promoting a fully inclusive culture throughout the company. For partnerships, we seek out others that develop diversity and inclusion in society. We want to ensure our procurement policies support suppliers from diverse and minority communities. And we leverage the power of our brands to help build a more inclusive world.

**Gender pay report**

As a UK-based group we are required by law to produce a gender pay report which highlights any difference between average male and female hourly earnings. But Reckitt goes further. In 2020, we extended our reporting to five of our main markets covering more than 50% of all our people. In 2021, we will extend to a further ten markets.

**Stronger Together: 6 pillars to drive inclusion**



**People:** Building a culture of inclusive leadership



**Policies:** We continuously improve our policies to raise the bar on inclusion



**Partnerships:** Building selective partnerships



**Brands:** Leveraging the power of our brands to drive a more inclusive world



**Procurement:** Supporting suppliers from diverse and minority communities



**Leadership:** Senior level focus and sponsorship via a global D&I board

### Workforce Disclosure Initiative

In 2017, ShareAction and over 50 financial institutions formed the Workforce Disclosure Initiative (WDI) to address the demand from investors and NGOs for greater transparency from businesses on how they value direct employees and those in their supply chains. Reckitt has participated for three years. In 2020, we were placed in the top quartile for transparency of the 140+ companies sharing information on pay, contract types, diversity, and their supply chains with a disclosure score of 82% compared with the 66% sector average.

### Reimagining the workplace

In common with many businesses, the constraints on working imposed by the pandemic have also unearthed new possibilities.

In July 2020, we launched our Freedom Forum, a crowdsourcing platform that encourages colleagues globally to share their ideas on how we can change the way we do things. We request ideas in response to a particular theme. These are assessed for viability and the top five get proposed to leadership. The theme for the first forum, workplace of the future, attracted more than 600 ideas and over 10,000 votes. Ideas around how to enhance flexibility at work was most popular. We now have a cross-functional global team focusing on the future of work. It's looking not just at the practical implications of working flexibly, but at how it enables sustaining high impact at work and at home and broader cultural goals.

As people spend longer working from home, wellbeing and mental health are coming ever more into focus. In 2020, we paused global operations on two occasions to let people rest and recover in a stressful year, as well as ensuring our people have access to assistance programmes and other tools and resources to support individuals and build resilience. In 2021, this will be a key focus area when we have plans to dedicate more time and resources to employee wellbeing, enabling colleagues to thrive personally and professionally. Colleagues want to find ways to balance their workload more effectively. We recognise that space to stand back and sample different experiences can have a positive impact on productivity and innovation.

### CASE STUDY

## STRONGER TOGETHER

In 2020, we set up the Stronger Together conversation series – a five-year commitment that aims to shine a light on the inclusion topics that matter most to our people. Laxman chairs employee storytelling sessions that aim to advance understanding across the organisation about the lived experience of people of colour, women, the LGBTQ+ community, those with disabilities and other marginalised or disadvantaged groups. We are also hosting conversations with external guests and thought leaders to challenge our thinking and inform our responses on these topics.

In the first of these conversations, in May 2020, Reckitt people spoke about the reality of being black in America. It provoked strong emotions and sparked a worldwide response. Over 4,000 colleagues attended these sessions, which have also included conversations on LGBTQ+ and women in STEM. Colleagues have shown commendable courage and openness in coming forward to tell their stories. Their stories have helped us all to consider how different experiences impact on people's life chances.

