



LABOUR AND HUMAN RIGHTS STANDARD

PURPOSE

Everyone has the right to decent work and dignity in the workplace. To attain this, Reckitt continuously strives to improve conditions for workers and small-scale farmers in our supply chain, particularly for women and vulnerable groups. This Standard describes the requirements and practices expected within Reckitt's supply chain in relation to labour and human rights, to contribute to our ambition of creating working conditions where everybody is treated fairly and equally. It specifies how to implement Principle I of Reckitt's Sourcing for Sustainable Growth Policy, **Reckitt's commitment to ensuring labour and universal human rights are respected.**



LEGAL AND INDUSTRY REFERENCES

These requirements have been drafted considering the following:

1. The International Bill of Human Rights
2. UN Guiding Principles for Business and Human Rights
3. OECD Guidelines for Multinational Enterprises
4. ILO Declaration on Fundamental Principles and Rights at Work – eight core conventions covering four topics:
 - Freedom of association
 - Freedom from forced labour
 - Child labour
 - Non-discrimination in employment
5. Dhaka Principles for migration with dignity
6. International Finance Corporation – Performance Standard 5: Land Acquisition and Involuntary Resettlement
7. Other industry standards and practices such as the Ethical Trading Initiative (ETI) Base Code.

SDG REFERENCES

RECKITT FULLY SUPPORTS DELIVERY OF THE UN SUSTAINABLE DEVELOPMENT GOALS (SDGs) BY 2030



Our business and brands positively impact several SDGs; however, through this Standard we believe we can have the greatest impact on four of the goals.

Reckitt also encourages Business Partners to take steps to contribute to those SDGs that are relevant for the geographies they are present in and where they can have the greatest impact through their business.



REQUIREMENTS

Respecting Principle I of the Reckitt Sourcing for Sustainable Growth Policy, Reckitt's commitment to ensuring labour and universal human rights are respected, requires:

1. Compliance with all applicable laws, regulations, and maintenance of necessary legal permits, as well as international labour rights standards.
2. Adherence to the expected minimum requirements and work towards implementing the recommended practices in this Standard. Business Partners are required to take proactive action and demonstrate continuous improvement in labour and human rights.
3. Implementation of a due diligence system for human rights, to enable effective identification, prevention, and remedy of their labour and human rights impacts, including adherence to this Standard.
4. Provision of grievance mechanisms for workers or others to raise concerns; and respond accordingly to concerns raised, including agreeing remedies where appropriate.
5. Transparency of the impacts identified, and the actions taken or proposed.
6. Proactive communication of these requirements to suppliers and proactively monitor compliance as far as is possible.
7. Identification of the Sustainable Development Goals relevant for the business and local context, implementing initiatives to positively impact those that have been identified.

The following listed requirements are a comprehensive but not exhaustive list of Reckitt's supply chain requirements on labour and human rights. They are complementary to and are not intended to replace or supersede legal requirements. As a minimum requirement, all Business Partners must comply with all applicable laws and regulations. Where local laws or their enforcement fall below Reckitt's requirements in this document, the expectation is for these requirements to be met.





01. WORKERS ARE OF A SUITABLE AGE TO WORK

Definitions¹

Child: Any person less than 15 years of age; except: a) where local law stipulates a higher age for work or mandatory schooling, in which case the higher age shall apply; or b) where local law stipulates 14 years, in which case 14 years shall apply.

Young worker: Any worker over the age of a child (as above) and under the age of 18.

Hazardous work: Work which, by its nature or the circumstances in which it is carried out, is likely to harm the health, safety or morals of a child or young worker.

Minimum requirements

1. Child labour in any form is not permitted – no person under the age of 15 or under the age of finishing compulsory education shall be employed (subject to exceptions permitted by national law or the ILO). All applicable laws and regulations concerning minimum working age must be adhered to.
 - if subject to compulsory education laws or attending school, clear procedures for facilitating education must be established, maintained, and effectively communicated to relevant personnel;
 - no night-time working; and
 - working hours comply with local law.
2. An employment policy which prohibits the use of child labour, outlines a procedure for age verification, remediating cases of child labour and outlines the conditions by which young persons can be employed must be developed.
3. Young persons (between the age of 15 and 18) can be employed; however, the following conditions must be met:
 - young persons are not performing hazardous roles or are exposed to risks that would cause physical, mental, or emotional harm;
4. Upon identification of child labour, immediate action must be taken to remove the child from all work and ensure the child is in a safe place. An effective remediation programme which puts the best interests of the child first should be developed and implemented with a suitable third party in a timely manner. Any remediation programme must include adequate social support for the child and its family, such as encouraging skills training, hiring a family member, and supporting the child's education.

RECOMMENDED PRACTICES

- All supervisors are trained to ensure the provisions under which young workers, including apprentices and interns, are employed, are met.
- Periodic health screening of young workers.
- Adequate procedures and processes are in place to reduce and mitigate risk of child protection issues in the workplace.

¹ ILO Recommendation No. 190, ILO Convention No. 138, ILO Convention No. 182



02. ALL WORK IS CONDUCTED VOLUNTARILY

Definitions²

Forced labour: All work or service that is extracted from any person under the threat of a penalty and for which the person has not offered themselves voluntarily.

Bonded labour/debt bondage: Labour is demanded as a means of repayment for, or the payment of interest upon, a loan or debt.

Involuntary prison labour: Labour undertaken by prisoners where that labour is not performed voluntarily and for which they do not receive payment; including labour that is extracted under the menace of any penalty or for which such work or service is demanded as a means of repayment of debt or penalty.

Trafficked labour: The recruitment, transfer, harbouring, obtaining or receipt of persons, by means of the use of threat, force, deception, or other forms of coercion, for the purpose of exploitation through forced labour or slavery.

Minimum requirements

1. All forms of forced, bonded, trafficked, or involuntary prison labour is prohibited.
2. Workers must not be required to lodge any part of their salary, benefits, property, or documentation as a condition of employment. Where the deposit of documents with governmental entities is required as a condition of right to work documentation, workers should be aided to recover those documents when they choose to leave employment.
3. Workers have freedom of movement. Workers have the right to leave their employer after reasonable notice and this includes migrant workers who shall be free to leave or change employment within the country.
4. Workers shall be allowed to always move freely in and out of company accommodation.
5. All work is conducted voluntarily.

RECOMMENDED PRACTICES

- Unrealistic production targets or performance indicators that necessitate or lead to excessive or involuntary overtime, or excessive working hours or other forced labour practices (Ref 6. Working Hours and Rest Days) should not be permitted. Carefully monitor the risks and impacts of production targets and performance indicators on workers.
- Piece rate targets and bonus payments that contribute to the minimum wage should be considered as potential areas of risk.

² ILO Forced Labour Convention, 1930 (No. 29)



03. RECRUITMENT IS CONDUCTED RESPONSIBLY

Definitions³

Recruitment: Advertising, information dissemination, selection, transportation, placement into employment and – for migrant workers – return to the country of origin where applicable. This applies to both jobseekers and those in an employment relationship.

Recruitment fees: Fees incurred in the recruitment process in order for workers to secure employment or placement, regardless of the manner, timing or location of their imposition or collection.

Related costs: Expenses integral to recruitment and placement within or across national borders, including medical, insurance, skills and qualification tests, training and orientation, equipment, travel and lodging, and administrative costs.

Migrant worker: Person(s) who migrates or has migrated to a country of which he or she is not a national with a view to being employed otherwise than on his or her own account.

Labour recruiter: Public employment services or private employment agencies and all other intermediaries or subagents that offer labour recruitment and placement services. Labour recruiters can take many forms, whether for profit or non-profit, or operating within or outside legal and regulatory frameworks.

Minimum requirements

1. Recruitment must be conducted in an ethical and responsible way that respects human rights, without discrimination.
2. Recruitment fees or related costs must not be charged to or otherwise borne by recruited workers and jobseekers. All fees must be borne by the employer.
3. Workers must have a legally recognised employment relationship with an identifiable and legitimate employer in the country where the work is performed.
4. All workers shall be provided with a contract in a language understood by them prior to entering employment outlining their conditions of employment, the length of employment, working hours, rest hours, wages paid, benefits provided, and any costs deducted from wages for food, accommodation, or other expenses. Workers must not be coerced to sign employment contracts.
5. Responsible recruitment policies and procedures, including an explicit reference on migrant worker rights, must be developed, and staff trained on them.
6. When using labour/recruitment agencies, regular due diligence must be conducted to ensure they are practicing responsible recruitment.
7. Robust grievance and other dispute resolution mechanisms should be available in cases of alleged abuses in the recruitment process. In cases of abuses, appropriate remedies must be provided.

RECOMMENDED PRACTICES

- Direct recruitment should be practiced where possible. Where direct recruitment is not practiced, state authorised labour recruiters should be used where possible.
- Migrant workers are informed of their employment terms and conditions and the respective local labour law prior to leaving their home country.

³ *General principles and operational guidelines for fair recruitment – International Labour Organisation (ILO)*



04. ALL WORKERS ARE TREATED EQUALLY WITH DIGNITY AND RESPECT

Minimum requirements

1. There should be clear policies and procedures to ensure no discrimination in hiring, remuneration, access to training/promotion, termination or retirement based on individuals' personal identities or characteristics, including race, colour, language, caste, national origin, indigenous status, religion, disability, gender, gender identity and expression, marital status, sexual orientation, union membership, political affiliation, age, pregnancy or any other condition that could give rise to discrimination; except where specifically required by applicable affirmative action laws or regulations. These policies and procedures should be communicated and shared with all workers.
2. Workers must be able to freely observe tenets or practices, or to reasonably meet needs relating to, any of the personal identities or characteristics listed above (point 4.1.) without hindrance.
3. Actions must be implemented to promote diversity and inclusion within the workplace by ensuring a balanced workforce, management representation and equity in terms of pay and other benefits. Periodic reviews of workforce composition, management representation and compensation to ensure parity should be conducted.
4. Any form of corporal punishment, bullying, harassment, mental, physical, or sexual coercion, abuse or other harmful or inhumane treatment enacted by or against its representatives or personnel is not permitted.
5. Adequate controls must be in place to protect the confidentiality of personal or sensitive information and to prevent discrimination.

RECOMMENDED PRACTICES

- Provision of training to all employees and contractor/agencies on diversity and inclusion, with a particular focus on those responsible for hiring, remuneration, training, promoting, disciplining, and terminating workers.
- Setting targets for diversity at management and Board level, with particular focus on delivering activities that engage women workers and support their development and progression through training and promotion.
- Promote a culture where ideas and voices from all levels, genders and races are encouraged and respected.



05. ALL WORKERS HAVE THE RIGHT TO FREEDOM OF ASSOCIATION

Minimum requirements

1. The right of all workers to organise and create representative organisations of their choice, should be respected where these activities are not restricted under applicable law. Forming worker committees or associations will not result in any negative consequences to workers who choose to join or form the organisation.
2. Where the right to freedom of association and collective bargaining is restricted under law, the employer facilitates, and does not hinder, the development of parallel means for independent and free association and bargaining.
3. Elected worker representatives selected in any of the above processes should be treated as a legitimate worker representative by the management and should not be subject to discrimination or maltreatment.

RECOMMENDED PRACTICES

- Provision of infrastructure (meeting rooms, election facilities, etc.) to undertake peaceful assembly and meetings during working hours.
- Provision of training to workers on their labour and human rights.
- Provision of communication via display notices, electronic media, etc., of minutes of meetings.



06. ALL WORKERS HAVE REASONABLE WORKING HOURS AND SUFFICIENT REST DAYS

Minimum requirements

1. Working hours shall comply with applicable local laws/regulations or the International Labour Organisation (ILO) Convention⁴ on working time and overtime, whichever offers greatest protection for workers. Normal working hours (excluding overtime) shall not exceed eight hours a day and 48 hours a week.
2. All overtime must be voluntary, and the sum of standard working hours and overtime for non-management employees must not exceed 60 hours per week. Where contracted overtime is permitted through employment contracts and workplace agreements, there must be documented evidence that employees freely agree to it without negative implications if they decide not to participate.
3. Where overtime is requested, all workers should be given the opportunity to perform overtime without any form of discrimination.
4. Workers shall receive at least 24 hours of rest after every six consecutive days of work (except where weekly etc. rotation periods are operated e.g., one week on, one week off) and shall receive public and annual holidays required by local law.
5. Clear policies and procedures must be in place defining normal working hours and overtime, including a clear process by which workers can volunteer for overtime.

RECOMMENDED PRACTICES

- In line with the ILO Convention on hours of work and overtime, the regular work week should not exceed 48 hours. Where overtime is regularly required, steps should be taken to gradually reduce the frequency of overtime.
- Effective systems to record working hours are in place.
- Planning improvements should be explored to manage peak periods to avoid prolonged periods of excessive overtime.
- Any change in shifts or overtime should be proactively communicated to workers and required stakeholders.
- Where possible provisions should be put in place to ensure the safety of more vulnerable workers working overtime e.g., transportation or accommodation for women workers on nightshifts.

⁴ ILO Convention C001 – Hours of Work (Industry) Convention, 1919



07. ALL WORKERS RECEIVE A FAIR WAGE

Minimum requirements

1. Workers are paid a standard, and if applicable, overtime wage, at or above the rate of the legal minimum wage, paid on time and in full without discrimination based on gender or any other factors. For piece rate workers, the rate of pay must enable workers to earn at least the minimum wage, or the wage outlined in a collective bargaining agreement, whichever is higher, during normal working hours.
2. Wage slips are provided in a language understood by workers, clearly outlining the wage, overtime, benefits, deductions, leave, social security, and other details as per local law.
3. All legally required deductions, i.e., social security, taxes, are clearly outlined in wage slips and deposited with the respective authority.
4. The use of wage deductions as a disciplinary measure, including arriving late for a shift, or any other purpose is not permitted. Deductions for living quarters, food, goods, etc. provided to employees must be reasonable and agreed in advance with workers in writing, in a language understood by them. Appropriate provisions should be in place to account for different languages spoken or low literacy levels. If employees choose not to utilise these services, deductions must not be made.
5. Benefits specified in employment contracts must, as a minimum, comply with mandatory benefits in the country of employment. Further, benefits for foreign workers, as appropriate, must be clearly indicated.

RECOMMENDED PRACTICES

- Steps should be taken to move towards the payment of living wage or income. This involves assessing wage levels through an expert third party to ensure they are sufficient to meet basic local living standards with some discretionary income.
- Efforts should be made to monitor and address the risks and impacts of discrimination in terms of wages to all minority or under-represented groups in the workplace.
- Changes in benefits, which are not mandated by law, should be proactively communicated to workers.



08. FAIR CONDITIONS FOR WORKERS IN TEMPORARY EMPLOYMENT

Definitions⁵

Service provider/contractor: A business entity which provides the facility/company with goods and/or services integral to, and utilised in/for, the production of the facility/company's goods and/or services.

Temporary employment: Employment for a specific period of time, includes fixed-term, project, or task-based contracts, as well as seasonal or casual work, including day labour.

Homeworkers: A person who carries out work for a facility/company under direct or indirect contract, other than on a facility/company's premises, for remuneration, which results in the provision of a product or service as specified by the employer, irrespective of who supplies the equipment, materials or other inputs used.

Minimum requirements

1. The requirements and protections afforded to workers through this Standard and applicable local law shall not be avoided through the use of excessively long probation periods, labour-only contracting, sub-contracting or home-working arrangements, or through apprenticeship schemes where there is no real intent to impart skills or provide regular employment, or through excessive use of fixed-term contracts of employment.
2. When contracting contract labour/service providers, robust due diligence is conducted prior to selection and on an ongoing basis to confirm their compliance with local law and the requirements of this Standard.
3. There should be no discrimination between permanent and contract workers on site, with respect to equal pay for equal work.
4. Contract workers should not be used to replace or supplement permanent workers that are engaged in a recognised legal dispute with the company.

RECOMMENDED PRACTICES

- Undertake assessment of supply and demand planning, skill requirements and intermediary or temporary work to identify contract versus permanent worker ratio. Where possible, review the breakdown of contract versus permanent worker ratio by gender to identify and mitigate any risks of gender-based discrimination.
- Steps should be taken to ensure that roles that are permanent in nature are not performed by temporary workers.
- Steps should be taken to transition temporary workers into permanent workers where feasible.

⁵ ILO- *What is temporary employment?*



09. ALL WORKERS HAVE ACCESS TO FAIR REMEDY

Minimum requirements

1. Provision of appropriate systems for raising and addressing workplace disputes, suggestions and grievances that are accessible to all workers.
2. Grievance mechanisms must be effective⁶, accessible and widely communicated through a range of channels to all workers, including those that are migrant, temporary or non-native language speakers.
3. Grievances must be fully investigated, swiftly resolved and remedy should be provided when deemed appropriate.
4. Confidentiality of the complainant (if requested) and protection from retaliation must be ensured.

RECOMMENDED PRACTICES

- In developing effective grievance mechanisms, conduct stakeholder engagement with the proposed users of the mechanism. Where possible collect gender disaggregated data relating to complaints and actions taken.
- Adapt grievance mechanisms to the local context.
- Conduct regular reviews of all complaints and actions taken, to evaluate the effectiveness of the grievance procedure and resolutions.
- Have multiple entry points for the grievance mechanism, such as suggestion boxes, committees, telephone lines, email, etc., so workers can access them freely during and outside of working hours.
- Display information and provide regular training on the types of grievances and grievance mechanisms available in a language understood by the users.
- Where there is a difference between national legislation and international norms, the approach that offers greater protection to the complainant should be applied.
- Ensure gender sensitivity. Business Partners may choose to have a separate system for handling grievances raised by women and look to involve women in handling the process from start to finish.
- Grievances addressed by the Business Partner, should not prevent complainants seeking other forms of remedy, including through judicial remedy.
- Review grievance trend data regularly to adapt working practices that create the problems.

⁶ UN Guiding Principles on Business and Human Rights' effectiveness criteria for non-judicial grievance mechanisms



10. RESPECTING LAND RIGHTS

Definitions⁷

Involuntary resettlement: Occurs when affected people do not have the right to refuse land acquisition and are displaced, which may result in long-term hardship and impoverishment as well as social stress.

Land acquisition: Includes both outright purchases of property and acquisition of access rights, such as easements or rights of way. For details refer to IFC Performance Standard 5.

Free, prior and informed consent (FPIC): Consultation that is free of intimidation or coercion provides timely disclosure of information that is relevant, understandable and accessible. Consultation should continue through the entire life of the project and not only during the early stages.

Minimum requirements

1. Companies should avoid involuntary resettlement wherever possible to minimise its impact on those displaced.
2. Prohibit land grabbing and promote and seek FPIC with regards to negotiations around land and property of indigenous people, local communities and/or individuals.
3. Undertake risk assessments with respect to impacts on nearby communities and right of access.
4. Undertake adequate and transparent change of land use and provide full disclosure. Follow all applicable national laws relating to land rights.

RECOMMENDED PRACTICES

- Develop guidelines on stakeholder engagement with respect to land acquisition and related purchases.
- Develop and implement procedures to manage land acquisition in and around highly sensitive areas with respect to communities, indigenous groups, individuals, etc.
- Report periodically and publicly on the progress of commitments on land rights, grievances, and redressal.

⁷ *Guidance note 7, Indigenous people, International Finance Corporation*



11. COMMUNITY IMPACTS

Minimum requirements

1. Where relevant, assess the actual and potential impacts of activities on surrounding communities with their full participation, and take steps to avoid and mitigate adverse impacts on communities.
2. Put in place appropriate systems for communities to raise and address company-community disputes, suggestions, complaints, and grievances that are accessible to all.

RECOMMENDED PRACTICES

- Where applicable, provide periodic training on indigenous peoples' rights and FPIC to all relevant staff.
- Establish a system for due diligence to assess and disclose risks and impacts to communities.
- Develop and maintain the capability to inform the surrounding community of company activities, including potential (environmental/security/emergency) risks and hazards.



12. WORKER AND COMMUNITY SAFETY AND SECURITY

Minimum requirements

Workers and their families should be safeguarded from outside (security) threats and dangers.

RECOMMENDED PRACTICES

- In contexts where there could be security threats, develop a security management plan and undertake security risk assessments.
- Apply similar standards to your security arrangements to those set out in the Voluntary Principles on Security and Human Rights⁸.
- Where assets have private or public security guards, guards should undergo relevant security and human rights (including use of force) training.

⁸ Voluntary Principles on Security and Human Rights

REPORTING BREACHES

We are an organisation with strong values of responsibility and integrity, and we always seek to do the right thing. We understand the challenge of labour and human rights issues in complex global supply chains and that many challenges are systemic in nature and cannot be addressed alone. Consequently, we encourage Business Partners to proactively disclose to us where they are having challenges meeting this Standard, so we can work together to address issues and strengthen management systems to ensure



SCOPE

This Standard is applicable to all Business Partners providing goods and services to or on behalf of Reckitt. This includes third-party manufacturers, raw and packaging material suppliers, service providers, vendors, traders, agents, contractors, joint venture partners, and distributors, including their employees, agents, and other representatives (hereafter referred to as 'Business Partners'). Business Partners are expected to communicate this Standard within their supply chain and ensure adherence to this Standard by their direct suppliers.