



NATURAL RAW MATERIALS SOURCING STANDARD

PURPOSE

Our purpose to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world means that at Reckitt we work with our Business Partners¹ to make positive social and environmental impacts throughout our collective value chain. This includes the upstream supply chains and origins of the natural raw materials (NRMs) from plants, animals and minerals we use in many products. This Standard specifies how to implement Principle III of the Reckitt Sourcing for Sustainable Growth Policy, **Reckitt's commitment to sourcing natural raw material responsibly.**



LEGAL AND INDUSTRY REFERENCES

These requirements have been drafted considering the following:

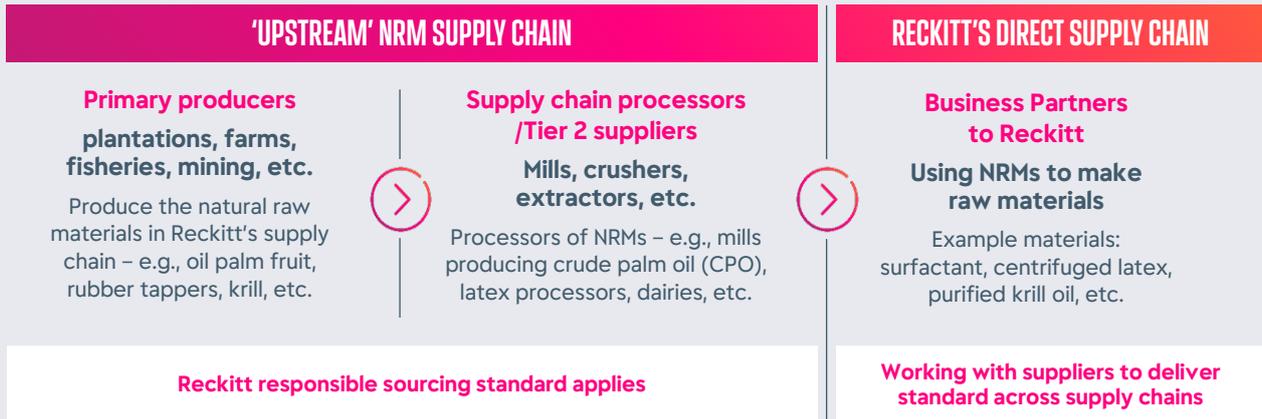
1. The International Bill of Human Rights
2. UN Guiding Principles for Business and Human Rights
3. ILO Declaration on Fundamental Principles and Rights at Work – eight core conventions covering four topics:
 - Freedom of association
 - Freedom from forced labour
 - Child labour
 - Non-discrimination in employment
4. Stockholm Convention on Persistent Organic Pollutants
5. Rotterdam Convention on the Prior Informed Consent Procedure for Certain Hazardous Chemicals and Pesticides in International Trade
6. WHO Recommended Classification of Pesticides by Hazard (indicated in the WHO 1a and WHO 1b columns)
7. The HCV Resource Network: High Conservation Value Approach (HCVA) to protect natural and social values such as intact forests, rare and endemic species and habitats, vital ecosystem services, and cultural sites
8. The High Carbon Stock Foundation's High Carbon Stock Approach (HCSA) to classify forest under six classes: High Density Forest, Medium Density Forest, Low Density Forest, Young Regenerating Forest, Scrub, and Cleared/Open Land.

¹ A 'Business Partner' is any supplier of goods or services to Reckitt, or any distributor working in the Reckitt supply chain. It includes all suppliers globally who are manufacturing on behalf of Reckitt, raw and packaging material suppliers, service providers, vendors, traders, agents, contractors, joint venture partners, and distributors, including their employees, agents and other representatives.

Business Partners with the following NRM supply chains to which this Standard applies:

- **Agriculture** (includes smallholder farms and larger plantations)
- **Mining**
- **Marine** (wild and farmed)
- **Wild lands and informal agriculture** (See Protecting Ecosystems – 3.5)

Supply chain actors this Standard is relevant for:



We are committed to working with our Business Partners to deliver this Standard which is an integral part of the contracts with all Business Partners using NRMs. We share a responsibility with our Business Partners to ensure this Standard is adhered to within our supply chains, their wider operations, and those of relevant producers and processors.

SDG REFERENCES

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



Our business and brands positively address a number of SDGs; however, through this Standard we believe we can have the greatest impact on seven 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.

GUIDING PRINCIPLES FOR SOURCING NRMs

THIS STANDARD IS BASED ON SIX GUIDING PRINCIPLES



01 Understanding the origins of materials

Business Partners should know the geographical locations and ownership of producers and processors in their NRM supply chains and be able to monitor compliance against this Standard. This information must be accessible to Reckitt and, preferably, publicly available.



02 Safeguarding workers and communities

Worker exploitation, discrimination and exposure to harm should not occur in our supply chain. Business Partners must take action to prevent this in their supply chains, in line with Reckitt's Labour and Human Rights Standard and particularly with respect to the vulnerable groups highlighted in this Standard.



03 Protecting ecosystems

Important and protected natural areas and species must not be harmed due to the production or processing of NRMs used by Business Partners or through expansion of production or processing areas. Business Partners should monitor and address any risk of harm to these areas.



04 Reducing environmental impacts

Business Partners should monitor and promote reductions in greenhouse gas (GHG) emissions, water use, energy consumption and waste in their NRM supply chains. (See Reckitt's Environmental Protection Standard).



05 Animal welfare

Some NRMs are derived from products of animal origin produced under human control (e.g., cows producing milk used in our infant nutrition products). We expect Business Partners to ensure that the 'five freedoms' of animal welfare are adhered to with animal-derived NRMs in our supply chains.



06 Partnerships

Business Partners should work collaboratively with a range of stakeholders including (but not limited to) peers, customers, NGO's government agencies and technical experts to improve the depth of supply chain compliance with this Standard.

PRIORITY NRMs

On publication of this Standard, Reckitt has identified five Priority NRMs based on the material risk that they pose to our business, the inherent human rights and environmental risks upstream in our supply chain, and our perception of their relative importance to our products and brands.



Latex

Used in Durex condoms and sourced from Southern and South East Asia.



Timber

Primarily used for paper and board-based product packaging, sourced globally for all our markets.



Dairy

Milk derivatives, usually in the form of powders, used in Reckitt's infant and child nutrition products and sourced from North America, Europe, Australia and New Zealand.



Natural fragrances

Includes diverse materials from a range of origins including vetiver from the Caribbean, pine oil from Asia and flower and fruit oils from Europe and South America.



Palm oil

Derivatives used in several of Reckitt's health, hygiene and nutrition products sourced predominantly from Malaysia and Indonesia.

REQUIREMENTS OF OUR BUSINESS PARTNERS

With reference to Principle III of the Reckitt Sourcing for Sustainable Growth Policy, **Reckitt's commitment to sourcing natural raw material responsibly**, requires:

1. Compliance with all applicable laws, regulations, and maintenance of necessary legal permits. Where these may be deemed insufficient by Reckitt, internationally recognised environment, human and labour rights standards (as defined throughout Reckitt's Standards), should be additionally applied.
2. Adherence to the minimum requirements in this Standard. Business Partners are required to take proactive action and demonstrate continuous improvement in environment and human rights.
3. Effective provision and implementation of systems that enable Business Partners to monitor their direct, Tier 2 and Tier 3 suppliers to evaluate the potential risks of non-compliance and act to mitigate and where necessary remediate change.
4. Suppliers must have systems in place that enable them to identify, prevent, remedy and measure potential risks of labour, human rights, ecosystem and wider environmental non-compliances.

Supply chain realities may not reflect the standards set out here. In some cases, reaching these standards will require considerable effort, sometimes of several stakeholders and involving systemic change. We are committed to working with suppliers and third-party partners to fully understand and close gaps within agreed and realistic but also ambitious timescales. We will sometimes select our own partnership organisations to support these activities and to support suppliers.



However, where attainment of this Standard by our suppliers and their supply chains has proved to not be possible within acceptable timescales, we reserve the right to exit from this relationship. This might be based on non-adherences identified within or outside of our direct supply chains, for example in the operations and supply of our suppliers' wider group of companies.

Criteria and applicable sourcing landscapes

PRINCIPLE 01: Understanding the origins of materials	
Applicable sourcing landscape(s)	Business Partner requirements
All	<p>1.0 Transparency Company policies and standards are aligned with this Standard and ideally publicly available. Progress against these standards should be reported at least annually.</p>
	<p>1.1 Traceability Records are kept detailing the locations of primary producers and processors in upstream supply chains, along with their ownership details. This is shared with Reckitt on request.</p>
Marine	<p>1.1.1 Location(s) of fisheries and farms, ownership of vessels and ports of offload is known and recorded, and shared with Reckitt on request.</p>
Wild lands/informal agriculture	<p>1.1.2 The geographic areas from which wild-growing NRMs are sourced is known and mapped, legal collection permissions and permits are in place with the appropriate authorities. This is recorded and shared with Reckitt on request.</p>
All	<p>1.2 Monitoring Systems are in place to monitor compliance with the criteria of this Standard and time-bound plans and activities to close any gaps are developed.</p>
	<p>1.3 Engagement A systematic approach is taken to actively engage producers and processors in upstream supply chains to identify and close potential gaps in adherence to this Standard.</p>
	<p>1.4 Grievance process A formal process is in place to resolve internally and externally reported behaviours and actions (grievances) contrary to the requirements of this Standard.</p>

PRINCIPLE 02: Safeguarding workers and communities

Reckitt's Labour and Human Rights, and Workplace Health and Safety Standards clearly outline our requirements of Business Partners and what we expect to see in their supply chains. Additional criteria specifically applicable to upstream NRM supply chains are listed below.

Vulnerable groups

The rights of the groups listed below must be respected in line with the requirements described in the Labour and Human Rights, and Workplace Health and Safety Standards, and with specific reference to the criteria below.

Applicable sourcing landscape(s)	Business Partner requirements
All	<p>2.1 Migrant labour</p> <p>Primary producers and processors should be supported, directly and through third-party programmes, to ensure ethical recruitment of both indigenous and international migrant workers. Programmes should focus on ensuring a healthy and safe working environment for migrants, the elimination of discriminatory behaviour, and fair and reasonable employment terms and conditions, in line with domestically hired labour and as outlined in Reckitt's Labour and Human Rights Standard. Specific focus should be given to addressing human rights abuses that are common in the recruitment of migrant labour and to mitigating risks related to working with migrant workers.</p> <hr/> <p>2.2 Children</p> <p>Programmes must be in place to ensure child exploitation and the worst forms of child labour are prevented from occurring in upstream supply chains. In accordance with international labour standards, a child aged between 12 and 15 is permitted to work under supervision on a farm owned or operated by a parent or legal guardian when this does not interfere with school and academic study. In addition, measures must be implemented to protect the health, safety and wellbeing of the child, including but not limited to ensuring work does not:</p> <ul style="list-style-type: none">2.2.1. Take place at night2.2.2. Involve heavy manual labour or the operation of machinery2.2.3. Take place in small and confined spaces2.2.4. Working at heights over two metres2.2.5. Involve the handling or application of agrochemicals <p>Measures must be in place to ensure risks related to the occurrence of child labour are consistently monitored and – when required – mitigated. Personnel should be in place that are knowledgeable of these risks and implement effective ways to mitigate them.</p> <hr/> <p>2.3 Women</p> <p>Programmes should focus on ensuring a healthy, safe and inclusive working environment for women, the elimination of discriminatory behaviour, and in respect of hiring, promotion and remuneration.</p> <hr/> <p>2.4 Small-scale producers (e.g., smallholders/small-scale farms, single owner boats operating in fisheries)</p> <p>Small-scale producers should be proactively included in supply chains wherever possible. Inclusion should, where possible and practical, ensure:</p>

- 2.4.1.** Trust and transparency between buyers and small-scale producers and other actors, such as brokers, to avoid exploitation.
- 2.4.2.** Farmer livelihoods and social conditions are improved.
- 2.4.3** Drivers of smallholder deforestation are addressed.
- 2.4.4** Capacity building to ensure farmers maintain and enhance important and protected lands (ref. 3.0– 3.5).
- 2.4.4.** Inward investment and support by government and non-governmental agencies.

2.5 Subcontractors, temporary and informal workers

Programmes should focus on ensuring a healthy and safe working environment for subcontractors, temporary and informal workers, ensuring the elimination of the risk of discriminatory behaviour, and provision of employment terms and conditions, in line with full-time labour.

Wild lands/informal agriculture

2.6 Harvesters of wild NRMs

Measures are in place to ensure communities collecting NRMs in the wild are afforded the protections outlined in Reckitt’s Labour and Human Rights Standard. Particular attention should be paid to vulnerable groups working in these communities.

Agriculture, mining, wild lands

2.7 Indigenous and local communities

Free, prior and informed consent (FPIC) must be sought and obtained before the development of new production areas, as outlined by the Food and Agriculture Organisation of the United Nations.

Protection from and use of potentially harmful substances

Reckitt is committed to ensuring potentially harmful chemicals are used as little as possible in our supply chain.

Applicable sourcing landscape(s)

Business Partner requirements

Agriculture, mining, wild lands

2.7 Prohibited materials

Those stipulated by the Stockholm POP convention, Rotterdam PIC lists or categorised as WHO class 1a or 1b lists are not to be used in the production of NRMs.

- 2.7.1.** Chemicals not approved for use in the relevant country must not be used.
- 2.7.2.** Pesticides prohibited by law must not be used.

Agriculture

2.8 Pesticides

On-farm use must be limited to legal and manufacturer guidance. Where natural or organic, or pesticides with lower toxicity are available and practical, they should be prioritised.

All

2.9 Handling of toxic and/or potentially harmful chemicals

Those handling these are properly trained in their use and afforded proper protection from harmful effects relating from exposure or misuse.

Marine

2.10 Use of poisons and explosives in the marine environment

Is not permitted.

PRINCIPLE 03: Protecting ecosystems

Ecosystems are being damaged and disappearing at an alarming rate reducing the biodiversity of our planet and reducing the capacity of the natural world's natural systems, which regulate climate, the availability of fresh water and provide a range of necessary 'services' to humans such as food and shelter. We require Business Partners to proactively address the potential for ecosystem loss in our supply chains.

Important and protected natural areas

Business Partners must proactively ensure the protection of 'legally protected' and 'important' lands, as set out below.

Legally protected natural areas: Land and water bodies that are afforded legal (national or international) protection from harm, including – but not limited to – national parks, national monuments or marine protected areas and the species living within them (biodiversity) must not be negatively impacted through the production or processing of the NRMs used by our Business Partners or by related communities, or through any expansion of a NRM 'sourcing landscape'.

Important landscapes: Land and water bodies that lack formal legal protections as described above but that have been defined as worthy of protection through widely recognised and scientific methodologies, due to the importance of the biodiversity found within them. These landscapes should also be proactively protected. Below are prominent examples of such landscapes and ecosystems.

Applicable sourcing landscape(s)	Examples of important landscapes that should be protected
All	<p>3.0 IUCN-defined protected areas Defined nature reserves, wilderness areas, national parks, natural monuments or features, habitat/species management areas, protected landscapes/seascapes, protected areas with sustainable use of natural resources. Designated fragile biomes and sites of special scientific interest.</p> <hr/> <p>3.1 Areas defined as high conservation value (HCV) by the HCV approach (HCVA) The biological, ecological, social or cultural value of areas of outstanding significance or critical importance, applied to: species diversity, landscape-level ecosystems and mosaics, rare, threatened, or endangered ecosystems, critical ecosystem services, community needs, cultural values. See 'High Conservation Value Network'.</p> <hr/> <p>3.2 Forests A forest-positive approach should be adopted that focuses on the proactive protection of important forests (included those defined as High Carbon Stock).</p> <p>3.2.1 Primary Forest Where human impacts have normally been limited to low levels of harvesting and interference; also referred to as 'mature,' 'old growth,' or 'virgin' forests;</p> <p>3.2.2 High Carbon Stock Forests Defined by the High Carbon Stock Approach (HCSA) as: High, Medium and Low Density and Young Regenerating Forests. See 'High Carbon Stock Approach'.</p>

3.3 Peatlands

Of any depth.

Marine

3.4 Sustainable marine environments

Marine-derived NRMs sourced from sustainable fisheries, based on their being sustainable stocks of the relevant marine species, minimising environmental impacts and managed in a way that responds to changing environmental needs (as defined by the [Marine Stewardship Council](#)).

Wild lands/informal agriculture

3.5 Wild lands

The sustainability of landscapes from which communities are collecting NRMs are protected. These landscapes are defined by the '[Fair Wild Organisation](#)'.

Management and restoration of important ecosystems

Business Partners make a proactive contribution to protecting and enhancing important and protected landscapes (as described above) affected by NRM supply chains. Examples of methodologies that should be deployed to avoid harm wherever practical and beneficial are set out below.

Applicable sourcing landscape(s)	Examples of monitoring, management and restoration which should be employed where possible and relevant
All	3.6 Ecosystems restoration Where damage is caused to important and protected ecosystems, measures to restore these, with reference to relevant, expert methodologies – e.g., integrated HCV-HCS assessments (for palm oil, refer to sections 1.2.2.2 and 3.2.1 of Appendix A: Palm Oil)
Agriculture, mining, wild lands	3.7 Biodiversity off-setting Where restoration is not practical or appropriate, biodiversity offsets compensate for negative impacts with reference to respected methodologies – e.g. Following IUCN Guidance on Biodiversity Offsets .
	3.8 Landscape approaches Contributions – financial and material – to initiatives that bring together relevant stakeholders – e.g., businesses, governments, producers, relevant communities and civil society (e.g., NGOs) – to build sustainable, holistic approaches to managing production landscapes sustainably, according to agreed, measurable objectives that deliver transformational change in line with this Standard.
	3.9 Designated riparian areas Are protected and restored to healthy in priority wetlands and watersheds.
	3.10 Wildlife corridors Areas acting as a habitat that connects wildlife populations separated by human activities or structures (e.g., roads, development, or farming) are encouraged and supported where relevant, practical and beneficial, according to expert advice.
	3.11 Buffer zones Strips of natural vegetation that act as a barrier between production land and legally protected and important natural areas (see 3.0–3.3 above), to provide additional protection.

PRINCIPLE 04: Reducing environmental impacts

Reckitt is committed to reducing harmful greenhouse gas (GHG) emissions, water use and energy consumption and waste in NRM supply chains.

Business Partners must, where practical, develop programmes with processors and producers in their supply chains and expert third parties to ensure adequate monitoring and reduction solutions. Examples are set out below.

Applicable sourcing landscape(s)	Examples of programmes and approaches that should be employed where possible and relevant
4.0 Reducing GHG emissions	
Agriculture, mining, wild lands	<p>4.0.1 Producers (e.g., farms, fisheries):</p> <p>4.0.1.1 Reducing use of fossil fuels, e.g., for the generation of heating facilities and cooking.</p> <p>4.0.1.2 Burning should not be used to prepare ground for new plantings for agriculture or any other type of development or in the management of plantations or farms.</p>
All	<p>4.0.2 Primary processors:</p> <p>4.0.2.1 Reducing use of fossil fuels for energy at processing facilities.</p>
4.1 Reducing water use	
Agriculture	<p>4.1.1 Primary producers:</p> <p>4.1.1.1 Reducing use of unmanaged or wasteful irrigation techniques.</p> <p>4.1.1.2 Reducing use of riverine buffer zones to filter agricultural inputs.</p>
All	<p>4.1.2 Primary processor:</p> <p>4.1.2.1 Reducing use of water in the primary processing of NRMs – e.g., washing and filtering.</p>
4.3 Reducing energy use	
All	<p>4.3.1 Primary producers and processors:</p> <p>4.3.1.1 Utilising more sustainable sources of energy, where available.</p> <p>4.3.1.2 Deployment of new technologies to reduce energy consumption.</p> <p>4.3.2 Primary processor:</p> <p>4.3.2.1 Reduction of fossil fuels at primary processing facilities.</p>
4.4 Reducing waste	
All	<p>4.4.1 Primary producers and processors:</p>

4.4.1.1. Reducing waste accumulation at primary production/processing site; avoidance of harmful effects on ecosystems – e.g., through waste management; more efficient use of materials; circularity.

4.4.2. Primary processor:

4.4.2.1 Improved management of NRM-derived waste – e.g., reduce, re-use and recycle.

PRINCIPLE 05: Animal welfare

We represent a small footprint in our use of animal-derived natural raw materials. We require farmers and those handling these animals to ensure they are kept free from unnecessary harm. Where NRMs are derived from animals under human control (e.g., the milk used in our infant nutrition) Business Partners must ensure producers and processors in their supply chains are aware of and ensure animal welfare by upholding the internationally recognised 'five freedoms'.

The five freedoms are set out within the Guiding Principles of the World Organisation for Animal Health (OIE):

- I. freedom from hunger, malnutrition and thirst;
- II. freedom from fear and distress;
- III. freedom from heat stress or physical discomfort;
- IV. freedom from pain, injury and disease; and
- V. freedom to express normal patterns of behaviour.

PRINCIPLE 06: Partnerships

Supply chains are usually part of a wider, distinct geographical, jurisdictional or otherwise definable landscape that incorporates different industries, natural ecosystems and infrastructure. Reckitt invests in multi-stakeholder partnerships that deliver sustainable, holistic approaches to managing landscapes sustainably, according to agreed, measurable objectives and – where applicable – expects similar financial and non-financial investments to be made by business partners. (See criteria 3.8.)

Partnerships with our Business Partners

We are committed to working with Business Partners to bridge gaps where there is a genuine commitment to deliver the positive change identified as being required. We recognise that we and our Business Partners will not always have all the answers or expertise required to address the challenges faced in the NRM supply chains referred to under the five guiding principles set out above.

Partnerships with expert organisations

We expect Business Partners to invest in partnerships with expert third-party organisations that can deliver measurable impacts to address the range of issues referred to within this Standard. We expect Business Partners to invest their own resources (financial and non-financial) in these partnerships and to develop their own partnerships as far upstream as possible.

Certification

For specific NRMs, credible, internationally recognised, third-party standards must be used by Business Partners to ensure our standards are met.

Our expectations and when we expect these to be met are set out below:

Certification	Requirement	Implementation
Fair rubber	The natural latex used to manufacture Durex condoms in Malaysia and Indonesia must be sourced from plantations certified by the Fair Rubber Association (FRA).	By end 2022
MSC	The krill oil used in our Mega Red product must be sourced from operations certified by the Marine Steward Council (MSC). Additionally, any marine species sourced from marine protected areas (ref. 3.4), must be sourced from operations certified by the MSC.	In place
FSC and PEFC	When not manufactured using post-consumer recycled materials, paper and board used in our packaging must be certified by either the Forestry Stewardship Council (FSC) or Programme for the endorsement of Forest Certification (PEFC).	2021
Round Table for Sustainable Palm Oil (RSPO)	Business Partners supplying palm oil derived products must be members of the RSPO. Fats blends and other materials derived from palm oil to be used for human consumption should be sourced directly from RSPO certified farms through RSPO's segregated certification system (SG). Wherever possible, palm oil used in our products should be sourced from RSPO plantations and farms. Where this is not possible, we will endeavour to purchase RSPO credits to cover volumes within acceptable timescales.	2026

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 sourcing natural raw materials within a complex global supply chain 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 continuous improvement.



SCOPE

This Standard is applicable to our Business Partners and entities that take ownership of natural raw materials through a supply chain before they are supplied to us. These supply chains begin with producers, such as farms and plantations, mines and fisheries and may include processors, such as crushers or extractors before reaching our Business Partner (usually a Tier 1 direct supplier supplying materials to Reckitt).

The Standard is composed of six guiding principles and supporting criteria. The Standard requires Business Partners to collaborate with their own upstream suppliers to ensure – and demonstrate – that the NRMs they source and use are produced responsibly, with respect for protection of the environment and positively impact the needs of local communities.

[Appendix A](#) describes criteria that apply specifically to our supplier's palm oil supply chain. More appendices will be added in due course, providing criteria for other specific NRMs as required.