



# SOURCING FOR SUSTAINABLE GROWTH POLICY

Reckitt's Responsible Sourcing Principles  
for Business Partners



# INTRODUCTION



We have a duty to ensure that all our operations and interactions are of the highest quality, and we hold our Business Partners to the same exacting standards. We are committed to ensuring our facilities, suppliers, distributors, and contractors meet and exceed applicable laws and international standards, ensuring health and safety at work, protecting the environment, and safeguarding human rights. Together with our Business Partners<sup>1</sup>, we will do the right thing. Always.

We are all part of a complex global supply chain, from warehouses and manufacturing units to smallholder farmers. We ask our Business Partners to take ownership of this commitment, and to share our values; to act fairly and put consumers and people first; and to seek out new opportunities to improve products and innovate responsibly.

<sup>1</sup> This Standard is applicable to all Business Partners providing goods and services to or on behalf of Reckitt. This includes third-party manufactures, raw and packaging material suppliers, service providers, vendors, traders, agents,

Building shared success will require working in partnership across this network. We recognise the commitment and dedication of our Business Partners and believe that as we strive for excellence together, we can achieve a sustainable and successful future for all.

Our **Third-Party Code of Conduct** and **Sourcing for Sustainable Growth Policy** outlines our approach to supply chain due diligence and explains how our expectations of Business Partners align with our commitments.

## THIS FRAMEWORK SETS OUT HOW WE ARE WORKING TO CREATE A MORE RESPONSIBLE AND SUSTAINABLE SUPPLY CHAIN.

In turn, we aim to strengthen resilience in our supply chain and give confidence to the millions of people who know and love our brands that the products they use every day are brought to them in ways that respect human rights, the environment, and the safety of people.



contractors, joint venture partners, and distributors, including their employees, agents and other representatives (hereafter referred to as 'Business Partners').

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

Our business and brands positively impact several SDGs. Through our supply chain we believe we can have the greatest impact on nine of the goals:



## WHAT DOES THIS MEAN FOR YOU?

Reckitt's **Third-Party Code of Conduct** and **Sourcing for Sustainable Growth Policy** applies 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. Collectively, our Business Partners should communicate these standards within their own supply chain and progressively ensure their direct suppliers also comply with these Standards.

## Reckitt expects all Business Partners will:

1. Comply with all applicable laws and regulations, and in the absence of those laws, with international standards.
2. Work to implement the recommended practices outlined in the supporting technical standards, demonstrating continuous improvement.
3. Operate due diligence processes appropriate to their size and risk profile and demonstrate risk-based action.
4. Communicate these requirements to their suppliers, monitoring and strengthening compliance as far as is practical.

## MEETING LAWS AND REGULATIONS

Reckitt operates in a complex and evolving regulatory environment which varies between geographies and jurisdictions. All Business Partners must be fully informed of and comply with all applicable local laws and regulations.

In an increasing number of countries, companies are required by legislation to undertake and report on due diligence of the human rights and environmental risks in their supply chains. Environmental, Social and Governance (ESG) reporting is becoming a significant factor and Business Partners are encouraged to collect ESG information to share with Reckitt and their stakeholders such as investors and other customers.

Where local standards require more stringent controls than those outlined in the Third-Party Code of Conduct and Sourcing for Sustainable Growth Policy, applicable local law takes precedence, and must be implemented in full.

Where local laws or their enforcement fall below the international standard, Business Partners are required to meet such standards and international norms.

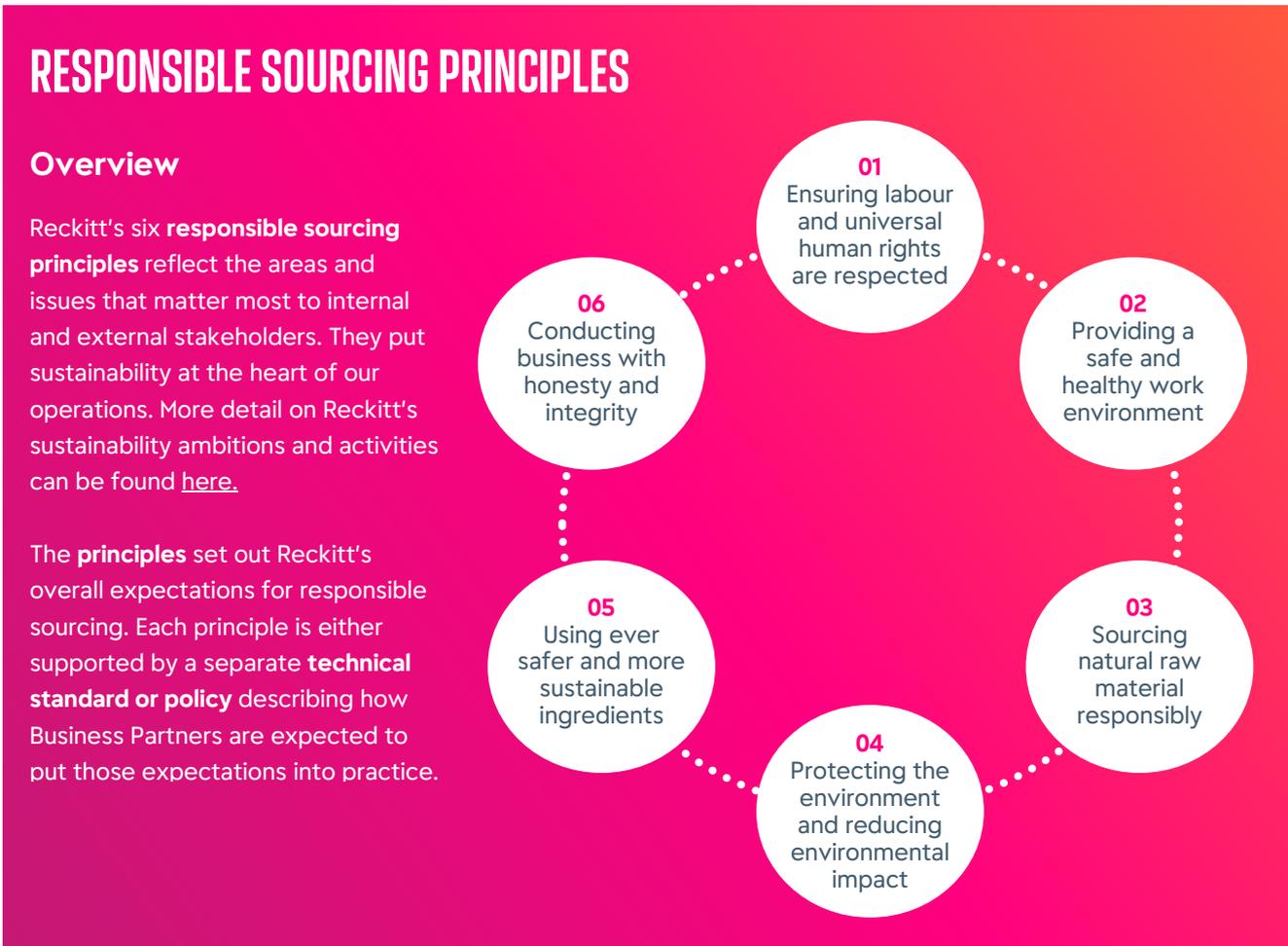
# GOVERNANCE

Distribution and monitoring of Reckitt's Sourcing for Sustainable Growth Policy is undertaken by Reckitt's Global Supply Leadership Team (GSLT). They are responsible for ensuring these principles are applied globally, from making Business Partners aware of these policy requirements, their responsibility to comply with them and supporting with proactive monitoring and continuous improvement to ensure these requirements are met.

Reckitt's Corporate Affairs and Sustainability function monitors compliance and supports Business Partners to build improvement.

For each Reckitt Global Business Unit, the Responsibility, Sustainability and Compliance Committees (RSCCs) oversees implementation of this policy, with Board level oversight provided by the Corporate Responsibility, Sustainability, Ethics and Compliance Committee (CRSECC).

Business Partners are evaluated against this and other Reckitt policies as part of our continuing governance and compliance programmes, and to enable resilient and sustainable value chains that support innovation and create future opportunities. Our policy and standards here and elsewhere support our delivery of high standards of consumer safety, environmental, social and workplace standards that are championed by different functions within Reckitt to enable best value for us, our partners and wider society.



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## PRINCIPLE 01

### **Reckitt is committed to ensuring labour and universal human rights are respected**

Reckitt expects Business Partners to respect the rights expressed in the International Bill of Human Rights, and the ILO core and other applicable conventions in their own operations and business relationships across their supply chain.

This means Business Partners will develop human rights due diligence processes that include: avoiding directly or indirectly causing negative human rights impacts; providing access to grievance mechanisms; and, providing remedies where it is proven that a business has caused or contributed to adverse impacts.

For further details, see [Reckitt's Labour and Human Rights Standard](#).

## PRINCIPLE 02

### **Reckitt is committed to the provision of a safe and healthy work environment**

Reckitt expects Business Partners to protect the health, safety and welfare of workers by providing a safe working environment, in compliance with applicable occupational health and safety (OHS) regulations, or in the absence of regulation with ILO standards on OHS in their own operations and business relationships across their supply chain.

This means Business Partners maintain an effective health and safety policy and management system; assessing and mitigating risks; and providing training to workers.

For further details, see [Reckitt's Workplace Health and Safety Standard](#).

## PRINCIPLE 03

### **Reckitt is committed to sourcing natural raw material responsibly**

Reckitt expects that natural raw materials (NRMs) Business Partners use in Reckitt products and product packaging are, where possible, traceable back to production origins and are monitored regularly.

Reckitt's greatest focus is on priority NRMs, where supply chain risk is greatest: latex; dairy; natural fragrances; palm oil (and other tropical oils); and timber.

This means Reckitt Business Partners collaborate with their upstream suppliers to ensure – and demonstrate – that the NRMs they source, and use are produced responsibly, with respect for protection of the environment and the needs of local communities.

For further details, see [Reckitt's Natural Raw Materials NRMs Sourcing Standard](#).

## PRINCIPLE 04

### **Reckitt is committed to protecting the environment and reducing environmental impact**

Reckitt expects Business Partners to seek to eliminate harmful environmental impacts from their operations and their products by collaborating to prevent pollution and conserve natural resources across the supply chain. Business Partners are expected to set environmental performance targets, and track and monitor how their progress against these targets affects environmental impact.

This means Business Partners demonstrate their commitment to sustainability and biodiversity, reducing the environmental impact of sourcing.

For further details, see [Reckitt's Environmental Protection Standard](#).

# COMMITTED TO USING EVER SAFER AND MORE SUSTAINABLE INGREDIENTS



## PRINCIPLE 05

### Reckitt is committed to using ever safer and more sustainable ingredients

Reckitt expects Business Partners to ensure the quality of products that our consumers trust; this means that the ingredients and packaging are safe for people and the environment. We expect our Business Partners to provide Reckitt with comprehensive, clear, and honest ingredient information. We also expect our partners to help improve the green chemistry credentials of product innovation; reducing the water and carbon impacts of products and responsible plastic use.

This means that to safeguard consumers and workers, Business Partners manufacturing Reckitt products are expected to:

- provide details on raw materials and comply with the Master Packaging specification;
- comply with Reckitt's Restricted Substances List (RSL);
- incorporate green and sustainable chemistry principles in the development and manufacture of products; and
- build knowledge and understanding of Reckitt's product sustainability and stewardship commitments at a level appropriate to their responsibilities.

For further details, see Reckitt's Restricted Substances List Policy, Alternatives to Animal Testing Policy and Product Safety Policy.

## PRINCIPLE 06

### Reckitt is committed to conducting business with honesty and integrity

Reckitt expects Business Partners to exhibit high standards of business conduct in their operations; in relationships with their Business Partners; and with the local communities in which we and our Business Partners operate.

This means Business Partners must have policies and procedures in place to ensure good corporate governance in their business and supply chain; and must be able to demonstrate this readily. This includes maintaining full compliance with the law including anti-bribery, conflicts of interest, gifting and anti-Competition legislation; sound accounting and financial management; strong Board oversight; accurate business records; respect for data protection, and privacy and corporate security.

For further details, see Reckitt's Third-Party Code of Conduct.

## MAINTAINING HIGH STANDARDS

Reckitt's **Third-Party Code of Conduct** and **Sourcing for Sustainable Growth Policy** protects business integrity, human rights, and the environment by setting out expectations for due diligence on the entire supply chain.

Supply chain due diligence is a risk management process that identifies, understands and addresses negative impacts on people and the environment, whether caused directly or indirectly by a company's operations, or its supply chain.

### Reckitt Business Partners are expected to:

- ✔ Meet the minimum compliance standards set out in the technical standards.
- ✔ Undertake risk assessments to identify negative business integrity, human rights or environmental protection impacts on people; including vulnerable groups such as children, women, indigenous community and migrants within the supply chain.
- ✔ Prioritise and focus on the supply chains containing the materials, locations and industries where the risk is highest.
- ✔ Implement measures to prevent and mitigate actual or potential negative impacts and monitor the effectiveness of the actions taken.
- ✔ Provide grievance mechanisms for workers or others to raise concerns; and respond accordingly to concerns raised, including agreeing remedies where appropriate.
- ✔ Be transparent about the impacts identified and the actions taken or proposed.



## WORKING IN PARTNERSHIP

Reckitt expects Business Partners to continually improve their performance – from meeting the minimum requirements in the first instance; to achieving good and eventual best practice – and to demonstrate progress. The Reckitt technical standards include recommended practice aligned with various international industry practices and the industry-leading [AIM-Progress Responsible Sourcing Journey](#).

A wide range of stakeholders including customers, consumers, NGOs, and investors are increasingly demanding environmental, social and governance (ESG) standards. Reckitt is building trust in its approach and directly addressing ESG issues in its supply chain. Delivering on the principles outlined in this policy will enable Reckitt and our Business Partners to achieve this and build a more resilient, inclusive, and sustainable supply chain.

All Business Partners must meet the requirements of Reckitt's Third-Party Code of Conduct and Sourcing for Sustainable Growth Policy. To lead this agenda, a designated senior member of management should ensure alignment with these principles and demonstrate continuous improvement. Beyond their own operations, Business Partners should cascade these expectations and monitor progress throughout their own supply chain.

Reckitt is committed to working with our Business Partners to support their implementation of these principles through:



### Assessment

Periodic virtual or physical site assessments against the policy's principles and identifying good practice and opportunities for improvement.



## Partnership

We achieve more together as trusted partners, through collaboration we can collectively drive systemic, long-term positive change. Reckitt invests in activities to facilitate a more collaborative approach with our Business Partners. These include support and guidance to strengthen understanding of and capability to implement this Policy's Principles. Further information on our sustainability activities can be found on [Reckitt.com](http://Reckitt.com), or by email from [sustainability@rb.com](mailto:sustainability@rb.com)

Where any non-compliances are identified, Reckitt approaches remediation in an open and transparent manner and aims to collaborate with its Business Partners to resolve issues rather than terminating business relationships. This ensures issues are addressed and any workers impacted obtain access to remedy. However, if we believe a Business Partner is not providing appropriate support to remedy issues, we will have no option other than to terminate our business relationship with them.

## REPORTING BREACHES

**WE ARE AN ORGANISATION WITH STRONG VALUES OF RESPONSIBILITY AND INTEGRITY. WE ALWAYS SEEK TO DO THE RIGHT THING**

We understand the challenge of social 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 where they are having challenges meeting this policy. This enables us to work together to address issues and strengthen systems for improvement.

We have a **Speak Up** service available, where anyone – including Business Partners, their employees, consumers or community members – can confidentially raise concerns about actual or potential misconduct, violations of regulations, law or Reckitt policies, including Reckitt's Third-Party Code of Conduct and Sourcing for Sustainable Growth Policy.

Reports can be submitted online or via telephone. Further details of this and local toll-free phone numbers can be found on the Speak Up online reporting tool: [www.rbspeakup.com](http://www.rbspeakup.com)

## CONTACT



**FOR FURTHER INFORMATION PLEASE VISIT OUR WEBSITE:**  
[www.reckitt.com/sustainability](http://www.reckitt.com/sustainability)



Queries regarding implementation of the Reckitt **Sourcing for Sustainable Growth Policy** may be directed to [sustainability@rb.com](mailto:sustainability@rb.com)