

GENDER PAY GAP REPORTING 2021

UK Methodology



Reported KPIs

In line with government guidance the following gender pay gap KPIs will be reported for RB group UK and individual entities;

Gender pay gap difference Mean and median

- Includes all elements of pay identified as relevant pay according to government legislation.
- The calculation is based on payroll as at snapshot date 5 April 2021.
- Under the definitions all appropriate pay elements paid in April 2021 are used, which is then converted into an hourly rate. Annual bonus payments pro-rated to one month.

Gender bonus gap difference Mean and median

- Includes any bonus payments received between April 2020 and April 2021.
- Those eligible but receiving no bonus are excluded, the bonus data is based on actual bonus received.
- Based on actual figures (i.e. they cannot be prorated based on bonus period or hours worked)

Proportion of males/females receiving a bonus

- Proportion of males and females receiving a bonus payment in the bonus eligibility period (E.g. APP, sign on, buyout, sales incentives, etc).
- Zeros are excluded

Quartiles

- Ranked by hourly pay, highest to lowest
- Proportion of males and females equal quarter

Procedure

The basis of data for the calculations is a full year payroll report of all UK entities from April 2020 to April 2021. This includes all active employees on the payroll during that period and all payroll elements.

Payroll data has been set up according to reporting requirements:

- Relevant payroll elements for both hourly pay data and bonus data identified according to government legislation. Payroll elements falling outside of scope of the reporting have not been included in calculations
- Employees categorised as either 'relevant employees' or 'full pay relevant employees' to determine if they should be included in the snapshot data and bonus data, or just the bonus data.

Supporting Notes

- Pension trustees & NEDs are included on payroll, however do not fall under the definition of an 'employee' so they have been removed from the analysis.
- CEO registered under Reckitt Benckiser Corporate Services Limited.
- A small number of incentive payments made for new joiners captured in bonus calculations only in accordance with ACAS guidance
- Excluded: leavers before 5th April 2021 and new joiners after 5th April 2021
- Employees leaving after 5 April but before 30 April or joining before 5 April but after 1 April have been included, calculated up to full-month equivalent (base and car allowance).
- Employees not receiving full pay in April (e.g. maternity, sick leave) are considered 'relevant employees', hence have been included in the bonus calculations but not considered 'full pay employee' so not included in snapshot pay data.
- Bonuses included in April 2021 data snapshot data: bonuses included as full apart from APP bonus payments – these relate to the full year so have been pro-rated to 1/12th.
- Regulations specify that where pay periods are calculated in months, a month is treated as having 30.44 days. As such, to get the hourly rate, methodology used is: $7 \text{ days over } 30.44 = 0.23$. (Total monthly base * 0.23)/weekly hours
- Some employees moved entities during the year and received payment in both entities. Their pay was reported in the entity they were employed in as at 5 April 2021.

UK entities reported on

Entities employing more than 250 people

The following entities will be reported on for the 2020/21 period:

- Reckitt Benckiser UK Limited
- Reckitt Benckiser Healthcare UK Limited
- Reckitt Benckiser Healthcare Manufacturing
- Reckitt Benckiser UK Commercial Limited
- Reckitt Benckiser Corporate Service Limited
- Reckitt Benckiser Health Limited

RB Brands and RB UK Hygiene Home Commercial – less than 250 people employed so reporting as an individual entity not required, however will still be included and calculations provided as part of total group reporting

Definitions

Bonus	Bonuses include payments under: Bonus, APP, Special pay, sign on, basic bonus, planning bonus, misc bonus, share proceeds, employee referral
Bonus Period	Covers any bonus payments received between April 2020 and April 2021
Full-pay Relevant Employee	A full-pay relevant employee is one employed and receiving full pay during the specified pay period.
Hourly Pay	Hourly pay is the sum of ordinary pay and any bonus pay that was paid in the pay period which ends on snapshot date
Leave	Employees on 'leave' receiving less than full pay on the snapshot date; maternity, sick leave
Ordinary Pay	Ordinary pay includes basic pay, allowances, pay for piecework, pay for leave and shift premium pay. Includes cash allowances such as car, relocation.
Pay Period	The schedule on which employees are paid on a re-occurring basis (monthly)
Relevant Bonus Period	The bonus period in which the snapshot date falls - April 2020 to April 2021
Relevant Employee	Employees that are paid less than their usual rate as of snapshot date because of being on leave for that period. However included in overall headcount and bonus gap calculations as employed as of snapshot date.
Relevant Employer	Total Group and individual legal entities that employ more than 250 people as of snapshot date
Relevant Pay Period	The month in which the snapshot date falls - April 2021
Snapshot Date	Calculations based on payroll data drawn from 'snapshot date' of 5 April 2021
Weekly Working Hours	The weekly working schedule over a selected period of a person in employment