



REDUCING WASTE

Reckitt Sustainability Insights 2021



REDUCING WASTE



We've nearly fulfilled our ambition to send no waste to landfill from our sites. But we're also reusing and recycling waste, as well as looking to produce as little of it as we can. This helps combat climate change as well as shrinking our waste footprint.

Businesses like ours have a responsibility to curb the waste we produce, while doing so also saves money. We have to make sure that our own operations and our supply chains generate as little waste as possible, whether in production or packaging. And we have to see that, where we do generate waste, we reuse and recycle as much of it as possible, or dispose of it responsibly. By doing this, we help to tackle one of the planet's most urgent environmental challenges. Waste can contribute to Greenhouse Gas (GHG) emissions through landfill sites which, if not well managed, can also pollute soil and water. Transporting waste also generates GHG emissions. But by recycling or reusing waste, or even capturing gas from landfill sites, we can counter this impact by reducing the need to use new, virgin materials and using a source of low carbon energy. And by avoiding waste altogether we can make an even bigger contribution to slowing climate change, resource use and reducing pollution.

Waste can occur across our whole value chain, from when we source and process ingredients to when consumers use our products and dispose of them and their packs. Our manufacturing processes are where we have most control over this. Minimising waste here is the right thing to do, and makes business sense: less waste means more efficiency and cost-effectiveness. We've had considerable success here in recent years. In 2013, 48% of our sites sent zero waste to landfill. In 2021, it was 96%, as we continued both to reduce waste and to recycle and reprocess it, or find better disposal options, like turning it into energy. Our work to avoid waste altogether means we've reduced it by 14% since 2015.

This effort shrinks our waste footprint and helps to tackle climate change. A more efficient manufacturing process uses materials optimally, creates less waste and uses less energy, which means lower emissions. For any waste we do produce, being able to use it to produce energy, through biogas or biomass generation, for instance, again reduces our carbon footprint because we rely less on higher-carbon, non-renewable sources like gas.

OUR PERFORMANCE IN 2021

Aim	2021
25% reduction in waste from manufacturing	14% [†] reduction in waste per unit of production vs 2015
100% zero waste to landfill	96% [†]

[†] Assured by ERM CVS as part of their limited assurance scope; for details, see our [Sustainability governance, reporting and assurance](#) insight.

Less waste to landfill also means less carbon dioxide and methane being created as waste degrades. Both methane and carbon dioxide released like this adds to climate change. Avoiding waste altogether, or reprocessing or recycling it, is important here. So is helping people to recycle packaging by designing it in ways that make this possible, as well as promoting recycling through our brands. Our [Plastics and packaging](#) insight has more information on this.

In 2021, we continued to develop and track the impact of initiatives to cut waste in our manufacturing sites, and we're now very close to our target of zero waste to landfill. Two US sites plan to be back in step with this commitment by the end of 2022 after the closure of their local waste management firms, which meant that they couldn't dispose of their waste in more environmentally friendly ways. In the meantime, we're progressively reducing waste in manufacturing. In 2021, our Zeeland site in the US, which produces Enfa infant formula, reduced waste by just over 341.8 tonnes, or about 8% compared with the previous year.



MANAGING WASTE FROM OUR OPERATIONS

Our manufacturing sites tackle waste management in various ways. Our Global Waste Management Standard covers every aspect of waste management, from legal compliance and risk management to operational controls, strengthening our activity and tracking performance. Sites report every month on the types and quantities of waste as well as how all waste is disposed of. Our Global Environmental Team analyse progress and investigate significant variations with sites, providing support and guidance to improve performance. All sites are audited internally and externally at regular intervals. An annual Self-Assessment assesses compliance with the waste management standards, while detailed site audits look at legal compliance, risk management and environmental performance of the site in reducing waste. This includes checking proper disposal of all waste, including hazardous waste. In 2021, where COVID-19 disrupted travel and site visits, we were not deterred and instead implemented virtual audits to keep the programme on track.

Our manufacturing sites are part of our global ISO 14001 environmental management certification. This, as well as our company waste standards, means sites allocate adequate resources, develop measures and controls to reduce waste and manage disposal. The standards encourage recycling and reprocessing of waste, with each site's environmental specialists identifying the best ways to do this locally.

WASTE IN OUR MANUFACTURING AND WAREHOUSE OPERATIONS

	Units	2015	2020	2021*	Change vs 2020*	Change vs 2015†
Waste per unit of production ²	kg per tonne	30.2	29.1	25.9	-10.9%	-14%
% of sites with zero waste to landfill ¹	% of manufacturing sites	n/a	96	96	n/a	n/a
Hazardous waste per unit of production ²	kg per tonne	7	3.7	4	+9.3%	-38%

1 Includes zero waste to landfill status of our Nutrition sites, acquired in 2017.

2 Our Sustainability Ambitions and targets for waste now reflect a base year of 2015.

† Assured by ERM CVS as part of their limited assurance scope; for details, see our [Sustainability governance, reporting and assurance](#) insight.

WASTE FROM MANUFACTURING AND WAREHOUSE OPERATIONS BY TYPE AND DISPOSAL METHOD

	Units	2020	2021
Total waste generated	metric tonnes	99,885	82,771 [†]
Total waste recycled, reused	metric tonnes	71,027	55,261
% waste recycled		71%	67%
Total waste disposed (landfill)	metric tonnes	5,365	5,793

GOING BEYOND REGULATIONS

We follow local and national regulations on waste management. In those places where local regulations allow a lower standard than our Reckitt standards and best practices, the regulations dictate the minimum performance of our manufacturing site and we aim to go beyond them where we can. We set clear targets and objectives for people involved in waste management, and our approach, embodied in our Global Waste Management Standard, is to progress through what we call a waste hierarchy: preventing waste is the best outcome. Where we do generate waste, we aim to minimise it, or reuse or recycle materials. Recovering energy from waste is next in the hierarchy, with disposal the last resort.

At our Anhui factory in China, which produces Dettol, sludge from the wastewater treatment plant is being recycled and used to manufacture fertiliser. This helps the site go above and beyond legal compliance, increases our recycling by turning the waste into a useable material and also helps us with our zero waste to landfill policy. Similar, at our Tuas infant formula site in Singapore, the team has been working on waste reduction initiatives, like changing drying and packing processes. They've cut waste by 66% and saved the equivalent of more than £150,000 a year.

Our site in Bangpakong, Thailand, which manufactures Durex condoms, used to send over 700 tonnes of latex waste to waste management companies for incineration each year. Now this waste latex is being upcycled to produce flip-flops, with the first batch donated to a local school.

We're working to cut waste in our supply chain by monitoring site waste, promoting waste reduction and urging suppliers to use more recyclable and reusable materials. As part of this, we work with them to improve waste data reporting, which is the key to tracking and improving waste efficiency.

Overcoming challenges

Keeping waste to a minimum is about more than making production processes as efficient as possible. Changes in manufacturing equipment, quality control, consumer preferences or labelling can all lead to unused or obsolete stock. By planning well and working with consumers to anticipate how their preferences might change, we look to avoid issues like this, so cutting waste at our manufacturing sites.

Another challenge is the high cost of alternatives to landfill in some regions. Repurposing waste or turning it into new material or energy are preferable to landfill. But they can be expensive because of the extra costs for recycling, transporting and storing the material. Also, facilities could be further away than landfills, increasing transport costs. We continue to look for ways to manage and dispose of waste that are both environmentally friendly and cost-effective, as well as moving us up the waste hierarchy.

MAKING RE-USE AND RECYCLING EASIER

Through our design and material choices, we're aiming to make our plastic packaging reusable or recyclable as well as increasing its recycled content. For example, we're swapping multi-layer laminates for mono-materials which are easier to recycle and removing black colourant from our bottles. Through processes such as lightweighting or offering refill packs we can also reduce the amount of material used within packaging. For more details on all of these, see our [Plastics and packaging](#) insight.

In the UK, our Finish brand has partnered with TerraCycle's Loop programme, a sustainable packaging concept that collects empty packaging, cleans it and brings it back to the brand to reuse. In a trial with the UK supermarket Tesco from September 2021, ten stores are stocking Loop's brand partners – including Finish. For the first time, Finish tabs are available in stainless steel jars, with collection points for customers to bring empty ones back. Loop then cleans the jars for Finish to refill, ready to go back on the shelf for the next shopper.



Flip-flops made from Durex latex waste



CASE STUDY

FINDING A NEW FUTURE FOR WASTE MATERIALS

Waste recycling is about getting extra value for resources by using them again and again – the circular economy. At Makati in the Philippines, we categorise waste based on its type, but also the way we handle it:

Non-recyclable, non-hazardous waste, like hairnets, shoe covers, rubber gloves, foils and other residual waste is segregated at site so it can be collected and is converted to produce useable refuse-derived fuel (RDF).

Recyclable wastes, like paper and plastic are sold to

a recycling company. If a recycling option isn't available, then the waste is incinerated to create energy.

Waste powder is distributed and reused by a local pig farm for use as animal feeds, and to produce biogas.

Hazardous waste like used oil, solvent-based chemicals, broken lightbulbs and other contaminated materials are also segregated on site and collected so they can be used to generate energy through pyrolysis at a government-accredited treatment facility.

RECOVERING, REUSING AND REPURPOSING MATERIALS

We rework and reuse materials to avoid waste altogether where we can, though our overriding aim is to maintain the safety and quality of our products. In São Paulo, Brazil, the team at our nutrition site is repurposing the cardboard sheets suppliers use to transport cans to the site. They've collected nearly 40 tonnes of cardboard, which a local manufacturer turns into more than 80,000 boxes a year, which our team use to send out various products by post.

At Tatabanya in Hungary, our hygiene products factory uses two types of glass crystals and beads. By developing a separation and washing process, the team have saved 86% of scrap materials by recovering and reworking them, saving the equivalent of nearly £48,000.

LOOKING AHEAD – OUR FOCUS FOR 2022 AND BEYOND

In 2020, we announced new targets for 2025 and beyond. We're aiming to reduce waste from manufacturing and warehouses by 25% by 2025. We'll continue to build on the 14% reduction on 2015 levels that we achieved in 2021.

Productivity, for us, is about eliminating waste and making our processes more effective or doing more with less. That goes hand in hand with sustainability. This is why our sustainability and productivity teams work together to find new ways of increasing productivity by using fewer resources and reducing environmental impact.

We'll carry on looking for better ways to avoid, reduce, reuse or recycle our waste. For instance, by following 'green chemistry' principles, we're starting to identify more recycled ingredients for our products. For more on this, see our [Product stewardship](#) insight.

Our brands are involved too, encouraging consumers to behave in ways that avoid waste. An example is the partnership between Vanish and Amazon. See our case study for more details.



CASE STUDY

CURBING FASHION WASTE

Enough items of clothing exist today around the globe to dress the next six generations. Meanwhile, global estimates suggest 92 million tonnes of textiles go to waste each year.

These are just two startling facts revealed in a new Amazon documentary, *Generation Rewear*, which highlights how much waste fashion generates – and how our Vanish brand is responding.

The Vanish team has formed partnerships to bring about change, hosted events to raise awareness and created

campaigns that inspire consumers to give their clothes many lives, not just dispose of them.

Vanish's mission is to help clothes live longer by promoting behaviour that makes fashion more sustainable. As part of this, we've launched a three-part series on Amazon UK and [YouTube](#) to highlight the pitfalls of fast fashion and follow three of the UK's brightest young designers as they reveal how they're rethinking their approach to the industry.

LISTENING TO OUR STAKEHOLDERS

Reporting effectively across our many sustainability issues and giving regular updates on our programmes and activities is always a work in progress. So we appreciate your feedback. What should we keep doing? And where can we do better?

Email us at sustainability@reckitt.com

Or write to:

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