



**OUR SUSTAINABILITY
AMBITIONS**

Our 2030 Sustainability Ambitions sit at the centre of our business and support our Purpose to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world, and we're determined to achieve them.

OUR SUSTAINABILITY AMBITIONS CONTINUED

Sustainability and business success are inextricably linked. Businesses can only succeed in the long term if they're aware of the impact they have on people and the planet, work to create a more positive impact, and are transparent about how they do it.

Amid global and societal challenges such as climate change, threats to biodiversity and public health concerns, our approach has never been more important, building trust and loyalty with our consumers and customers, building partnerships with governments, and helping to reassure and attract investors. It also gives purpose to our brands and helps them differentiate themselves, as well as stimulating innovation and making us and our value chain more resilient. For these reasons, taking action on sustainability mitigates risk and fuels growth.

Launched in 2021, our Sustainability Ambitions are aligned with our business strategy. They're encapsulated in our Purpose: to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world. We want to reach half the world's people with brands that help them live cleaner, healthier lives, and engage two billion people through our programmes, partnerships and campaigns to raise awareness and make a positive impact. We're committed to making a lasting difference to communities and helping to realise the Sustainable Development Goals (SDGs).

On top of this, being sustainable goes to the heart of creating value. As we build our markets and grow our business, we make a meaningful, tangible impact on global societal challenges and on people's lives. We want to help address four of the world's largest problems:

- Poor water, sanitation and hygiene can have devastating consequences
- Formal healthcare systems have limited resources and are under increasing pressure
- Limited understanding and stigmas around intimate wellness damage public health and wellbeing
- Both infants and the increasing number of older people in our society have specialised nutritional needs

➤ For more information on these four big global problems, see our [2022 Annual Report and Accounts](#)

OUR SUSTAINABILITY AMBITIONS

PURPOSE-LED BRANDS

SAFER AND MORE SUSTAINABLE PRODUCTS

50% of net revenue from more sustainable products by 2030

65% reduction in our chemical footprint by 2030 vs 2020

ENABLING A CIRCULAR ECONOMY

100% of plastic packaging to be recyclable or reusable by 2025

25% recycled content in our plastic packaging by 2025

50% reduction in amount of virgin plastic packaging by 2030 vs 2020



HEALTHIER PLANET

COMBATTING CLIMATE CHANGE

Net zero by 2040

50% absolute reduction in product carbon footprint emissions by 2030 vs 2015

65% absolute reduction in operational (Scope 1 & 2) GHG emissions by 2030 vs 2015

100% renewable electricity by 2030

25% reduction in energy use (per tonne of production) by 2025 vs 2015

WATER POSITIVE

Water positive in water-stressed sites by 2030

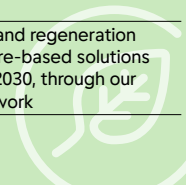
50% reduction in product water footprint by 2040 vs 2015

30% reduction in water use (per tonne of production) by 2025 vs 2015

REGENERATING NATURE

Evaluate our ecosystem footprint and impacts

Ecosystem protection and regeneration programmes with nature-based solutions in key value chains by 2030, through our brands and supply network



FAIRER SOCIETY

CREATING FREEDOM TO SUCCEED

An inclusive culture where everybody is treated fairly and equally

Our teams represent the diverse geographies we operate in and the people we serve

50/50 gender-balanced management at all levels by 2030

FAIRNESS ACROSS OUR VALUE CHAIN

A lasting, positive impact in communities through our Fight for Access Fund and programmes, improving livelihoods for 10 million people by 2030

Sustainable livelihoods and working conditions

Our teams and communities throughout our value chain have livelihoods that enable their health and wellness

Embed human rights through Impact Assessments and action plans in our key value chains by 2030



A CLEANER, HEALTHIER WORLD THROUGH THE POWER OF OUR PURPOSE-LED BRANDS

Reach half the world with brands that help people live cleaner, healthier lives

Engage two billion people in our partnerships, programmes and campaigns

Make a lasting difference in communities through our Fight For Access Fund and our programmes

Work with our partners to help deliver the Sustainable Development Goals

OUR SUSTAINABILITY AMBITIONS CONTINUED

Pillars of our strategy

We believe the route to making a difference is to focus on purpose-led brands, a healthier planet and a fairer, more inclusive society. These are the pillars of our Sustainability Ambitions. We have set ourselves stretching targets. They include: generating 50% of our net revenue from more sustainable products, using 100% renewable electricity and cutting greenhouse gas emissions by 65% in our operations against a 2015 baseline, all by 2030. By 2040, we aim to be net zero across our entire value chain.

Each of our brands is building its own path to a lower-carbon future and to tackling societal and environmental challenges. Through initiatives and partnerships, our purpose-led brands go beyond the function of each product to help engage consumers and make a difference. Each of our brands has a distinct purpose, which is aligned to an SDG. Examples include Finish working with World Wide Fund for Nature (WWF) to protect water resources and biodiversity (SDG 6 Clean Water and Sanitation) and Vanish working with British Fashion Week to promote cleaning and reusing clothes (SDG 12 Responsible Consumption & Production).

Our materiality-led approach

The basis for our work and priorities on sustainability is our assessment of what matters most to stakeholders inside and outside our business. These include customers, consumers and communities, investors, suppliers and employees. Our last materiality assessment in 2021 looked at both our impact on sustainability issues, and their impact on us — double materiality. It reaffirmed the targets and ambitions we set that year and confirmed that our priorities matched those of our stakeholders. Climate change emerged as the most urgent priority, followed by product quality and safety, packaging and waste, advancing global health and hygiene, ethical business conduct and sustainable product innovation.

The assessment considered 19 issues in all, grouping them in terms of low, medium and high importance to stakeholders and risk to the business.

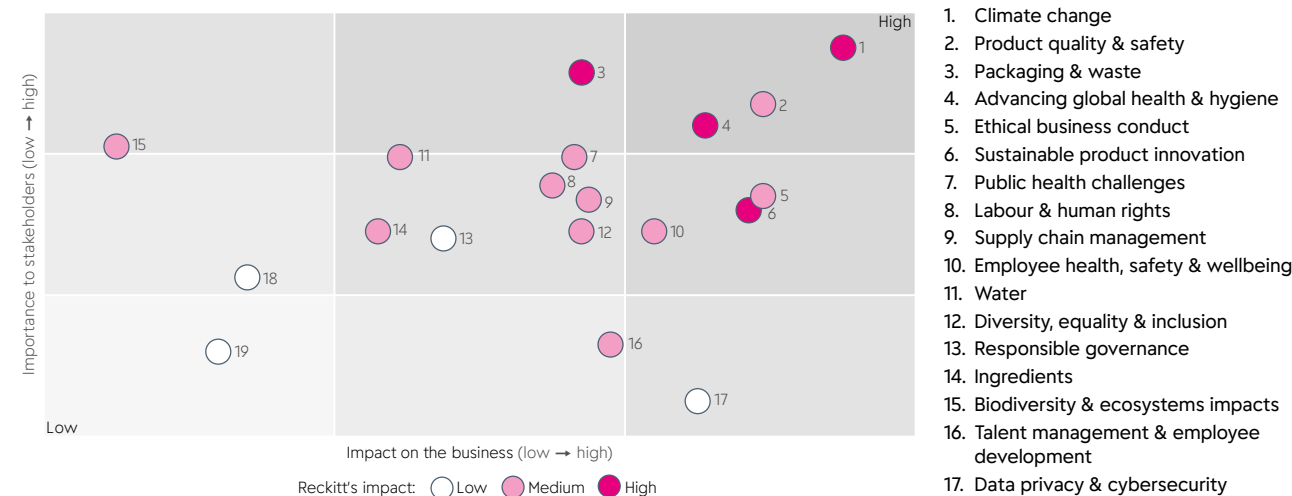
For more information about our 2021 materiality assessment, see [reckitt.com/our-impact/our-approach/materiality-and-stakeholder-engagement](https://www.reckitt.com/our-impact/our-approach/materiality-and-stakeholder-engagement)

Putting health in the spotlight

Our portfolio of health and hygiene brands puts us in a unique position to support a healthy planet and positive societal outcomes. We do this by helping to address the growing impact of climate change on health, from water-borne disease to threats to nutrition. Governments and healthcare systems can't carry this burden alone. People need self-care to safeguard against illness and infection, and to protect sexual health. Our brands meet these needs. Our role in protecting and healing, and our ambition to engage with people to build health literacy, will become increasingly important.

Starting at COP26 in 2021, we've become more vocal in highlighting the connection between a healthy planet and healthy people, a theme that's becoming more prominent in the global conversation on climate. The Intergovernmental Panel on Climate Change's (IPCC) 2022 report highlighted the close connection between climate change and the worsening impact of infectious diseases, heat and malnutrition, as well as displacement and mental health. COP27 focused intently on equity and the need to help the countries already dealing with the appalling effects of climate change, whether through flooding, drought or fires. We'll continue to press for health to have its own forum for debate at COP28.

OUR MATERIAL ISSUES



1. Climate change
2. Product quality & safety
3. Packaging & waste
4. Advancing global health & hygiene
5. Ethical business conduct
6. Sustainable product innovation
7. Public health challenges
8. Labour & human rights
9. Supply chain management
10. Employee health, safety & wellbeing
11. Water
12. Diversity, equality & inclusion
13. Responsible governance
14. Ingredients
15. Biodiversity & ecosystems impacts
16. Talent management & employee development
17. Data privacy & cybersecurity
18. Contributing to local communities
19. Sales & marketing practices

OUR SUSTAINABILITY AMBITIONS CONTINUED

Focusing on our impact

Across our operations, brands and value chain we want to make a positive and enduring impact and our ambitions reflect this, with targets specific to our own sites alongside targets that cover the footprint of our products. In this way, we focus on impacts upstream and downstream across our value chain. Some of our products have sustainability at their core, like Air Wick Botanica, which uses natural, responsibly-sourced ingredients and packaging made from recycled materials. Others focus on engaging our consumers to change their behaviour for more sustainable outcomes. For example, our education campaign for Finish Quantum dishwasher tablets '#SkipTheRinse' encourages consumers to save water by not pre-rinsing plates. This impact could be particularly significant in markets that are facing water shortages in the future.

Of course, much of our impact is down to how we produce products and packaging, and use materials and ingredients. In 2022, we launched our first ever paper-based packaging for Finish, beginning with 1,200 Carrefour stores in France. This combines paper with 75% less plastic to make a fully recyclable, stand-up container. Once fully rolled out, this will help to eliminate 2,000 tonnes of plastic every year, equivalent to 50 million one-litre bottles.

Achievements like this are hard-won. The route to sustainability is rarely simple. Trade-offs can be complicated and initiatives take time to bear fruit. Consumers may also not readily embrace new formats and may prefer the convenience of simply buying a new bottle. Also, some of our products are regulated, and quality and safety are non-negotiable for us. So we have to thoroughly weigh up the benefits of, for example, stronger product concentrations and different types of materials for bottles with the lengthy testing and research that's required to bring innovation to market. Collectively, these can make progress on limiting our use of plastics slower than we'd like. Even so, we are committed to doing the right thing, always, and our goal is for every product change we make, whether it's a minor incremental improvement or major new launch, to have a positive impact on sustainability. For example, Air Wick is now including more natural fragrances in its product range; a number of our products have reduced the impact associated with packaging, such as Vanish and Dettol; and a number of other products, such as Strepsils, Veja and Enfamom, have reduced impacts associated with chemicals, water and carbon.

Taking a pragmatic and evidence-based approach

We want to limit our environmental impact as much as possible and make as positive a social impact as we can. At the same time, we must make the right commercial and strategic decisions to protect our very capacity to do this, as well as the livelihoods of everyone in our value chain. It's all part of taking a pragmatic approach to sustainability and solving the problems it presents.

As part of our approach, we work with partners to extend our social and environmental impact, beyond our direct operations or further down the value chain. By teaming up with academia, industry groups and Non-Governmental Organisations (NGOs), we deepen our knowledge of the issues, clarify our next steps, build partnerships to help us deliver and accelerate our progress. These partnerships include:

- Working with the consultancy Resilience and their Climate and Enterprise analytics technology, founded on the influential frameworks pioneered by the Cambridge Centre for Risk Studies, to help identify and respond to our climate-related risks and opportunities
- Protecting natural ecosystems by educating and monitoring suppliers and farmers with the Earthworm Foundation
- Joining forces with WWF to research water, climate change and biodiversity, as well as restore and protect freshwater resources in the Amazon and Ganges ecosystems, and raise awareness of the biodiversity and water crises
- Investigating how to protect and strengthen natural ecosystems with Nature-Based Insetting, a spin-off from the University of Oxford. This work has seen us invited to join the Taskforce on Nature-related Financial Disclosures (TNFD)
- Supporting Water.org in bringing safe, clean water to people around the world, and bringing help to the victims of flooding in Pakistan with product and cash donations to the Disaster Relief Alliance

Taking stock of progress

Amid growing scrutiny on environmental, social and governance (ESG) issues from investors and other stakeholders, a thorough approach is essential in establishing our sustainability credentials and reassuring stakeholders that we're doing the right thing. Onlookers are interested in the goals we're setting ourselves and our progress toward them, but they also want the details of our plans to deliver on them, and manage challenges we might face.

We welcome this scrutiny because we know that sustainability is central to our growth, not a barrier to it. Accountability helps us strive for new ways to be more sustainable. Greater transparency can lead to recognition too. In 2022, the Harvard Business Review spotlighted our approach to product sustainability and brands, showing how we bring our consumers with us and make them part of our brands' work to increase their impact. We also retained our leadership position in the Dow Jones Sustainability Index, improving our performance overall to be gold class in the household products sector and securing our presence in the World Index. And we continued to maintain strong performance in high-profile ESG ratings such as those measured by MSCI and Sustainalytics.

Acknowledgement like this reassures us that we're on the right track, but we know that we need to continue delivering, and that we have more to learn and a lot more to do.

"WE WORK WITH PARTNERS TO EXTEND OUR SOCIAL AND ENVIRONMENTAL IMPACT, BEYOND OUR DIRECT OPERATIONS."

OUR SUSTAINABILITY AMBITIONS CONTINUED

PROGRESS AGAINST OUR SUSTAINABILITY AMBITIONS

Our ambitions	2022 Performance	More information
PURPOSE-LED BRANDS		
50% of net revenue from more sustainable products by 2030	24.4% ⁺	Sustainable Product Innovation Insight
65% reduction in our chemical footprint by 2030 vs 2020	To be reported in 2023	Product Stewardship — Ingredients and Transparency Insight
100% of packaging to be recyclable or reusable by 2025	75.3% ⁺	Plastics and Packaging Insight
25% recycled content in our plastic packaging by 2025	4% [*]	Plastics and Packaging Insight
50% reduction in amount of virgin plastic packaging by 2030 vs 2020	-1.2% [*]	Plastics and Packaging Insight
HEALTHIER PLANET		
Net zero across our value chain by 2040		Climate Change Insight
65% absolute reduction in operational (Scope 1 & 2) GHG emissions by 2030 vs 2015	-66% ⁺	Climate Change Insight
100% renewable electricity by 2030	93% ⁺	Climate Change Insight
25% reduction in energy use (per tonne of production) by 2025 vs 2015	-3% ⁺	Climate Change Insight
50% absolute reduction in product carbon footprint emissions by 2030 vs 2015	+17% ⁺	Climate Change Insight
Water positive in water stressed sites by 2030	1 / 17 sites	Water Insight
30% reduction in water use (per tonne of production) by 2025 vs 2015	-5% ⁺	Water Insight
50% reduction in product water footprint by 2040 vs 2015	+17.1% ⁺	Water Insight
Evaluate our ecosystem footprint and impacts	Metrics under development	Biodiversity and Ecosystems Insight
Ecosystem protection, and regeneration programmes with nature based solutions in key value chains by 2030, through our brands and supply network	Landscape programmes in place	Biodiversity and Ecosystems Insight
FAIRER SOCIETY		
An inclusive culture where everybody is treated fairly and equally	-	Inclusion Insight
Our teams represent the diverse geographies we operate in and the people we serve	-	Inclusion Insight
Gender balance at all management levels by 2030:	<ul style="list-style-type: none"> • 50% all managers • 32% senior management team⁺ • 28% Global Executive Committee and direct reports 	Inclusion Insight
Engage two billion people with purpose-led partnerships, programmes and campaigns to promote awareness for a cleaner, healthier world (cumulative since 2020)	1.48 billion people engaged (cumulative since 2020) ⁺	Partnering for Social Impact Insight
Sustainable livelihoods and working conditions	-	Human Rights Insight
Our teams and communities throughout our value chain have livelihoods that enable health and wellness	-	Human Rights Insight and Health, Safety and Wellbeing Insight
Embed human rights through impact assessments and action plans in our key value chains by 2030	-	Human Rights Insight

* Data is reported a year in arrears and covers FY21 reporting period

⁺ Assured by ERM CVS as part of its limited assurance scope. For details, see our [Sustainability Governance, Reporting and Assurance Insight](#)

+/- Indicates an increase/decrease relative to baseline

- Information about the programmes and activities in support of our ambitions are detailed within the relevant insight