

PLASTICS AND PACKAGING CONTINUED

2022 PERFORMANCE			
Our ambitions	2022	2021	20204
50% reduction in amount of virgin plastic packaging by 2030 vs 2020	7.3%	1.2%	_
100% of plastic packaging to be recyclable or reusable by 2025	76.4%	75.3%	74.3%
25% recycled content in our plastic packaging by 2025	5%	4%	4%
Other packaging metrics			
PLASTICS			
Total weight of all plastic packaging (metric tonnes)	187,911	198,927	201,586
PAPER & BOARD			
Total weight of all paper and board packaging (metric tonnes) ¹	231,102	232,512	227,567
Percentage of paper and board from certified or recycled sources, excluding third-party manufacturing sites	99.5%²	99%	98%
METAL			
Total weight of all metal (tinplate and aluminium) packaging (metric tonnes) ³	60,321	71,777	78,842
Percentage recycled content in metal packaging	30%	38%	32%
GLASS			
Total weight of all glass packaging (metric tonnes)	32,776	36,082	28,771
Percentage recycled content in glass packaging	22%	26%	33%

^{1.} Total plastic packaging weight excludes devices, gadgets, aerosol valves, adhesives and fill formula (such as wipe substrate), aligned with the Ellen MacArthur Foundation (EMF) definition

^{2.} Excludes volumes sourced from Russia (c.1%) where FSC certifications are currently suspended

^{3.} Excludes IFCN China volumes which is the main contributor to the change between 2021 to 2022

^{4.} Reckitt progress is measured via the EMF methodology plus technical recyclability. Our 2020 numbers have been restated to this effect

PLASTICS AND PACKAGING CONTINUED

Packaging protects our products and keeps them safe for consumers. But it's a top priority for us to help reduce plastics and packaging waste, and we've set ourselves clear targets to do so.

We are constantly improving our packaging to support our sustainability ambitions and reduce our impact on the environment. We reduce our footprint by using fewer and more easily recycled materials, reducing the weight of packaging and using more post-consumer recycled (PCR) plastic. We improve recyclability through better packaging design, by using just one type of material, especially in laminates, and removing colours which can make recycling harder.

Sustainability is central to how we operate. We train our pack designers to consider sustainability from the start, and not something that's added once we've made the big decisions. By considering the raw materials used, the lifecycle of the product, and the potential end-of-life scenarios for the packaging, we aim to design for circularity and reduce waste. We are able to simulate how the packaging will perform, so our designs use the optimum amount of material while remaining effective. This underlines how, for us, sustainability and business benefits are two sides of the same coin. A pack made with fewer materials helps us achieve our targets to reduce our environmental impact, including cutting our supply chain Scope 3 emissions. But it can help keep costs down too, as well as giving consumers another reason to choose our products.

Our Sustainable Innovation Calculator measures the impact of plastic and packaging inputs for every new product. It is fundamental to every step in our product development process and acts as a decision-making tool for our teams.

For more information on how we design sustainability into our products, see our **Sustainable Product Innovation Insight**



REUSE PACKAGING WITH DETTOL'S POWDER TO LIQUID HAND WASH IN INDIA

Last year, we launched a new Dettol powder to liquid hand wash that enables consumers to reuse their existing bottle and soap pump.

By simply adding a sachet of powder to water, the consumer can create a hand wash with the same renowned germ protection. The original bottle and pump can be reused up to 20 times and, with a powder refill sachet containing 33% less plastic than a liquid refill pouch, and 90% less than that in another bottle and pump, it's an innovation which helps move us towards our 50% reduction in virgin plastic use 2030 target. Each powder refill weighs only 8 grams, compared with a bottle of liquid hand wash at over 200 grams. This means that the product also reduces costs and carbon emissions from transportation.



In 2022, we launched our internal Sustainable Packaging Handbook, to help provide clarity and resources for all those involved in designing and developing products and packaging. This will help steer our actions and drive progress towards our targets.

Definitions of recyclability are continually evolving. To ensure global consistency, we follow relevant Design for Recycling guidelines. Our targets are in line with our peers in the Fast Moving Consumer Goods (FMCG) sector, and so is our progress on recyclability. We've made great strides in removing problematic and non-recyclable formats from our brands, and we'll continue to do so to meet our target of 100% plastic packaging to be recyclable or reusable by 2025.

We track the impact of changes to our packaging through internal governance processes and by reporting them through the Ellen MacArthur Foundation's Global Commitment.

Progress against our ambitions

Reducing and replacing plastics is a complex task, but it's a challenge we embrace. Our progress is driven by investment in both our own R&D and in building strong partnerships with leading external materials and waste experts. Together we are identifying, testing and learning new ways to reduce and recycle plastics from our packaging.

Our collective efforts are starting to pay off. But we recognise we need to move more quickly to increase our impact, from developing innovations to embedding them in our products at scale.

Reducing plastics and packaging

Our aim is to reduce virgin plastic in packaging by 50% by 2030 against a 2020 baseline. In 2022, we achieved a 7.3% reduction compared with 2021. Among other things, we:

- Continued to work to minimise packaging by making components smaller, thinner and lighter, and reducing the headspace in our packs
- Launched new refillable and reusable formats, such as powder to liquid solutions for Dettol hand wash in India and capsule refill systems for Veja in Brazil

PLASTICS AND PACKAGING CONTINUED



FINISH DETERGENT PACKAGING GOES PAPER-BASED

We launched a fully recyclable paper-based stand-up pouch for Finish dishwasher tablets in France. Once fully rolled out to other markets, this will save over 2,000 tonnes of plastic per year — the equivalent of 50 million one-litre bottles. This is the latest milestone on our journey towards halving the amount of virgin plastic in our packaging by 2030.

The new Finish pouch features 75% paper, which is responsibly sourced. The remaining plastic is needed to strengthen the structure of the paper, as well as providing durability, water resistance, and a re-closable seal, to ensure the quality and safety of the product.

As well as reducing plastic, the new packaging is expected to generate 15% fewer carbon emissions compared with existing packaging across the packaging lifecycle, as a result of less carbon-intensive manufacturing and increased recyclability.



- Launched a paper-based stand-up pouch for Finish dishwasher tablets in France, which uses 75% less plastic than the current packaging
- Continued to research how to better roll out and scale up innovations, so they can be used in more products, in more categories and in more countries

Increasing recycled content

Our ambition is for our plastic packaging to contain 25% recycled content by 2025. In 2022, we included 5% PCR content. During the year, our actions included:

- Redoubling efforts on our Finish, Harpic and Vanish brands, adding recycled plastics to more packs in more countries. Finish launched 35% PCR content in high-density polyethylene (HDPE) rinse aid and detergent bottles in Europe, while Vanish added 45% into HDPE tubs in some markets. In India, Harpic toilet bowl cleaner bottles now contain 7.5% PCR content
- Using up to 35% PCR content in bottles for the newly launched Dettol Tru Clean and incorporating 75% recycled plastic into the 22 million Cillit Bang spray bottles that we produce each year, saving 880 metric tonnes of virgin plastic
- Adding PCR content to Dettol laundry sanitiser and washing machine cleaner bottles in China, and preparing to do so in other categories ready for launches in 2023

Despite taking these actions, progress around PCR inclusion in our products remains slower than we want, exacerbated by COVID-19 impact causing delays to our product development processes together with supply challenges, making it difficult to source sufficient quantities of good quality PCR material.

Our technical progress has been encouraging given the challenges involved in increasing PCR content. Our priority now is to use this to increase the scale and impact of implementation, across regions, over the next two years.

Making products more recyclable

Our ambition is to make all of our plastic packaging recyclable or reusable by 2025. We reached 76.4% in 2022. Last year, we:

- Made progress in swapping multi-layer laminates for monomaterials, which are more easily recycled, particularly for stand-up pouches in our portfolio
- Added perforations and messaging to bottle sleeves for more products. Separating sleeves from bottles makes it easier for recycling systems to detect and sort plastics in the recycling process
- Removed colours containing carbon black additives from our plastic packaging to ensure that sorting equipment in recycling plants is better able to detect and recycle packs
- Worked with waste management experts and industry bodies to help improve recycling infrastructure worldwide, which will also support the global supply of PCR material

Collaborating with our partners

We cannot achieve our targets by working alone. The challenges around packaging and plastics are too complex and too dependent on external factors for any single company to address on its own.

That is why we are strengthening our global, cross-sector commitments, such as our participation in the Consumer Goods Forum and its Plastic Waste Coalition of Action projects. We continue to collaborate with the Ellen MacArthur Foundation, and its vision of a circular economy in which plastic never becomes waste or pollution and the value of products and materials is retained in the economy. Our collaboration, both on a global level and through the Foundation's national Plastic Pact intiatives, includes working closely with our peers through workshops, action groups and educational offerings, to address key parts of this vision, such as the elimination of problematic or unnecessary plastic packaging, and ensuring all plastic packaging is reusable, recyclable or compostable. We have also joined the Business Coalition for a Global Plastics Treaty, convened by the Ellen MacArthur Foundation and WWF. Working with more than 80 organisations, we're aiming to create a circular economy for plastics, ensuring products and materials stay in the economy and out of the environment.

PLASTICS AND PACKAGING CONTINUED

Non-plastic packaging

We are making good progress towards our goal of sourcing all of our paper and board from certified or recycled sources (excluding third-party manufacturing sites). We reached 99.5% in 2022 and we're working to close the final gap before 2025.

We're also finding ways to address the environmental impact associated with our use of other materials, like metal and glass. The same principles apply here as with plastics, and we aim to reduce the amount of material we use, incorporate recycled content where possible, and design our packs to maximise recyclability. Our Sustainable Innovation Calculator helps us to measure the impact of our decisions and ensure that we make the best overall choices in our development process. We are also working with our suppliers to make progress on our non-plastic packaging.

For more on the Sustainable Innovation Calculator, see our **Sustainable Product** Innovation Insight

Facing recycling challenges

Consumers have an important role to play in increasing global recycling rates. Schemes such as supermarket collection points for flexible plastics have increased opportunities for recycling but we need to help consumers understand how to correctly dispose of recyclable plastics. In the UK, for instance, only about a quarter of household packaging goes to recycling and, for flexible plastics, this is even lower, at just 6%¹. We're adding more labelling to our products to help our consumers understand what to do with plastic packaging after use. Ultimately, better quality plastic, which is correctly recycled, combined with better processing systems, will improve the supply and reduce the cost of PCR material. This can then be used to make more packaging.

 Source: wrap.org.uk/taking-action/plastic-packaging/actions/plastic-bags-andwrapping



PARTNERING WITH PLASTIC BANK TO HELP COLLECT 100 TONNES OF PLASTIC WASTE

In 2022, Reckitt Germany joined forces with Plastic Bank, which turns plastic waste into useful material, to support its mission to stop plastic reaching the ocean.

For every purchase in Germany of a product from our Hygiene business via Amazon, Avides or the on-demand delivery services Gorillas, Getir, Flinc and Picnic, our consumers contribute to preventing plastic bottles from ending up in the ocean. Each purchase of products from brands such as Finish, Sagrotan, Air Wick, Calgon, Vanish, Cillit Bang and Botanica leads to one plastic bottle stopped on its way into the ocean.

The campaign aims to help avoid 100 tonnes of plastic, which is equal to five million plastic bottles, from entering the oceans.



Translation: together against plastic in the ocean

"THROUGH R&D, SCIENCE AND PARTNERSHIPS, WE'RE EXPLORING THE NEXT GENERATION OF PLASTICS AND MATERIALS."

Looking ahead

As regulations develop across the world, we're continuously assessing our portfolio to ensure we meet, or even exceed, their requirements.

We continue to focus on three priorities: using less plastic and packaging materials; using better materials to enable more recyclability; and incorporating more recycled content. We have targets for 2025 and 2030, but we're also looking beyond those dates. Our overarching ambition is to deliver our products in new ways that minimise or eliminate packaging, while still working as well as ever.

By 2025, we'll be using more materials like PCR, and we'll be on our way to reducing our use of virgin plastic by 50% by 2030. We're also looking further into the future. Through R&D, science and partnerships, we're exploring the next generation of plastics and materials, investigating advanced recycling methods to enable more material to be recycled, with better quality outputs, and assessing technologies and processes which can make an impact in the manufacture of our packaging.