



SUSTAINABILITY INSIGHTS 2022



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OUR SUSTAINABILITY APPROACH



Fabrice Beaulieu, Chief Marketing, Sustainability and Corporate Affairs Officer

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. Embedding sustainability across our business and throughout our value chain is a strategic imperative.

For us, high standards of corporate governance, combined with a rigorous, open approach to reporting, are central to maintaining our integrity and the trust of our stakeholders. Our 2022 Sustainability Insights summarise our activities in pursuit of tackling some of the world's biggest problems – from climate change and its damaging health impacts to environmental degradation and social inequalities.

We have a unique portfolio of brands that consumers love, trust and rely on to protect, heal and nurture millions of people each and every day. People expect brands to support a sustainable future, and our approach places sustainability at the very heart of our brands. This helps frame our innovation, engages our customer and consumers, supports our growth and builds impact for our company and through our company while helping to bring about a cleaner, healthier world.

We've continued to make progress this year, within an increasingly complex operating environment where our supply networks have had to adapt rapidly. Our programmes and partnerships have evolved, and we'll continue to develop them to help meet global challenges and better meet the needs of all our stakeholders. There is always more to consider every day, but through our global purpose-led brands, our supply networks and our Fight for Access programmes, we reach millions of people and contribute to a healthier planet and a fairer society.

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A person with a backpack is walking away from the camera on a stone path that leads towards a lake in a mountain valley. The sun is low in the sky, creating a warm, golden light that reflects off the water and illuminates the surrounding landscape. The path is made of large, flat stones and is flanked by green vegetation and rocks. The lake is nestled in a valley between steep, rocky mountains.

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

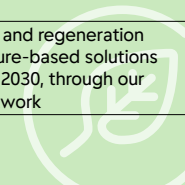
50% reduction in product water footprint by 2040 vs 2015

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.

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



For more information about our 2021 materiality assessment, see reckitt.com/our-impact/our-approach/materiality-and-stakeholder-engagement

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



SUSTAINABILITY GOVERNANCE, REPORTING AND ASSURANCE

High standards of corporate governance, combined with a rigorous, open approach to reporting, are central to maintaining the trust of our stakeholders.

SUSTAINABILITY GOVERNANCE, REPORTING AND ASSURANCE CONTINUED

Governance

Our Annual Report and our Corporate Governance Report provide information about our approach to governance. Additionally, information on how sustainability is governed at Reckitt and the principles that lie behind it are published on our website.

Our governance framework remains broadly unchanged in 2022, with effective forums across the business responsible for overseeing progress and ensuring sustainability considerations are embedded into our decision-making.

At Board level

Our Board of Directors is collectively responsible for the overall leadership of the Group and for promoting its long-term sustainable success while focusing on its strategic direction, Purpose, values and governance. The Board has regular discussions about the risks and opportunities for the Company and conduct a formal review of the Group's principal risks at least once a year. Sustainability itself, including the key issue of climate change, is considered one of the Company's principal risks. This reflects the continued growth in importance of sustainability and its central role in the Company's growth strategy.

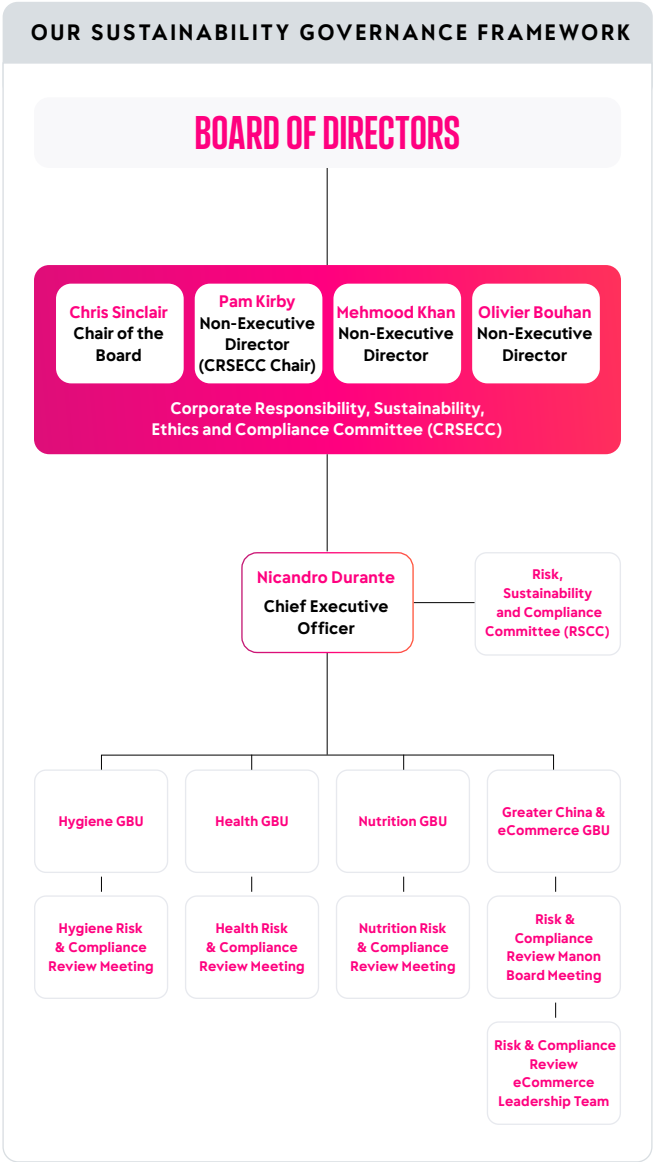
The Board delegates regular management of sustainability related matters to a sub-committee, the Corporate Responsibility, Sustainability, Ethics and Compliance Committee (CRSECC). The Committee meets quarterly to review our progress against our sustainability strategy, and performance against our targets. Meetings are attended by the CEO, who has accountability for sustainability performance at executive level. He is joined at the meetings by various members of the Group Executive Committee, including the Chief Marketing, Sustainability & Corporate Affairs Officer and other senior executives. A summary of the matters discussed by the CRSECC during 2022 is available in the CRSECC Report within the 2022 Annual Report and Accounts (pages 120-125).

At managerial level

Our managerial oversight of sustainability reflects the structure of our business as one Group with three business units. We have a single committee for the Group as a whole, the Risk, Sustainability and Compliance Committee (RSCC), chaired by our CEO. This is supported by business unit-level committees, which report up to the RSCC and share information with the CRSECC. These committees all meet and report quarterly on sustainability issues and risks, including performance against targets to enable their ongoing oversight of activity.

The RSCC reviews risks and our progress in managing them, and covers all of our environmental, social and governance (ESG) activity. This includes, for example, reviewing the management of, and responses to, issues flagged through our Speak Up whistle-blowing systems, alongside our social impact programme and progress towards our climate ambitions.

Within the business, our Corporate Affairs & Sustainability function leads strategy development and compliance, while programmes are implemented by our Brands, Supply Chain, R&D, and Safety, Quality and Regulatory Compliance teams. All functions are represented at, and are overseen by, the Executive Committee. With the creation of the new role of Chief Marketing, Sustainability & Corporate Affairs Officer in 2022, the connection between brand purpose, consumer-facing activity and the delivery of our sustainability programmes is consolidated within a single function. This strengthens our ability to deliver impact through our purpose-led brands, while also demonstrating sustainability to consumers who wish to support more sustainable brands.



SUSTAINABILITY GOVERNANCE, REPORTING AND ASSURANCE CONTINUED

Reporting

We are committed to being transparent and believe that publicly reporting on sustainability is fundamental to our ability to deliver our strategy. After all, sustainability is at the heart of our purpose-led growth strategy and so comprehensively reporting on it within our Insights, as well as our Annual Report, simply reflects this truth.

We therefore welcome the increasing focus of investors on ESG issues, and the response from reporting regulators and standard setters to emphasise the relationship between ESG issues and financial performance and to create a consistent set of sustainability standards for reporting.

We support moves by the International Sustainability Standards Board (ISSB) to develop comprehensive global sustainability disclosure standards suitable for capital markets. We are also monitoring the development of the UK's Sustainability Disclosure Requirements (SDRs) and the UK Green Taxonomy.

Beyond the UK, we are strengthening our understanding of the EU Taxonomy and pending requirements linked to the Corporate Sustainability Reporting Directive.

This year, we continued to develop our understanding and disclosure of our climate-related risks and opportunities in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).

We also continued our work on mapping ecosystems and biodiversity impact in key supply chains, through our partnership with Nature-based Insetting, a spin-off from the University of Oxford. The outcomes will enable us to contribute to and deliver against the emerging work of the Taskforce on Nature-Related Financial Disclosures (TNFD). Reckitt is a member of the TNFD Taskforce and, during 2022, committed to supporting the development and testing of the beta version of the framework and will participate in a pilot of the emerging scenario modelling guidance in 2023.

Reporting and performance approach

Our data is reported for the year 1 January to 31 December 2022 unless noted otherwise. We use key performance indicators (KPIs) to help measure the impact of our operations in line with our materiality assessment. In many cases, independent external guidance, such as the Global Reporting Initiative (GRI) Standards or specific standards on environmental reporting, inform our approach. These enable comparison with other companies. We also adopt KPIs that are most practical and add most value across our business and supply chain.

Our 2030 Sustainability Ambitions are based on a 2015 baseline year unless otherwise indicated.

The principles and methodologies we have used in reporting our sustainability performance data for 2022, along with our statement of directors' responsibilities in preparing the information, can be found in our Reporting Criteria and Basis of Preparation.

Frameworks and standards

While we wait for a consistent set of sustainability standards for reporting to emerge, we continue to reference the frameworks that will meet the varying needs of investors, key ratings agencies and indices such as Dow Jones Sustainability Index (DJSI). These include:

- **Sustainable Development Goals (SDGs):** Our Purpose is to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world and, in this context, we fully support delivery of all the SDGs by 2030. We believe we can make the biggest impact on five of the goals: SDG 2 Zero Hunger; SDG 3 Good Health and Wellbeing; SDG 5 Gender Equality; SDG 6 Clean Water and Sanitation; and SDG 13 Climate Action. These are closely connected to our brands and our social impact partnerships. We also contribute to other relevant goals and refer to the SDGs throughout our sustainability reporting
- **Task Force on Climate-related Financial Disclosures:** Our TCFD statement provides climate-related information and insights into how we are mitigating and adapting to climate-related risks and opportunities. More information can be found in our Climate change Insight and 2022 Annual Report and Accounts

- **GRI Standards:** We have prepared our 2022 sustainability reporting with reference to the GRI Standards
- **Value Reporting Foundation SASB Standards:** We continue to report against certain disclosures from SASB's Household and Personal Products Standard
- **United Nations Global Compact:** Our annual Communication on Progress (CoP) demonstrates our commitment to the Ten Principles of the UN Global Compact and the SDGs

Our full suite of sustainability reporting, including our GRI and SASB indexes, can be found at reckitt.com/our-company/policies-reports

Audiences

Many stakeholders — employees, customers, shareholders/investors, consumers of our products, and advocacy and campaigning organisations — have an interest in one or more aspects of our sustainability reporting. Our aim is to provide all our stakeholders with the information they're looking for, while telling an accurate and consistent story about our work during the year.

For more information on **our stakeholders** and **how we engage** with them, see reckitt.com/our-impact/our-approach/materiality-and-stakeholder-engagement

Assurance

Third-party assurance is a key part of our approach to reporting. External scrutiny helps us improve, while reassuring our stakeholders that the data we publish is accurate. This year, we again engaged ERM CVS to provide independent limited assurance over certain sustainability disclosures.

SUSTAINABILITY GOVERNANCE, REPORTING AND ASSURANCE CONTINUED

Independent Limited Assurance Statement to Reckitt Benckiser Group plc

ERM Certification and Verification Services Limited ("ERM CVS") was engaged by Reckitt Benckiser Group plc ("Reckitt") to provide limited assurance in relation to the selected information set out below and presented in the Reckitt Sustainability Insights 2022 Report (the "Report").

Engagement summary

Scope of our assurance engagement

Whether the 2022 data for the following selected disclosures are fairly presented in the Report, in all material respects, in accordance with the reporting criteria. Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report.

Sustainable product innovation

- Total net revenue from more sustainable products (£ million)
- Net revenue from more sustainable products (%)

Climate change

- Total product carbon footprint (million tonnes CO₂e) (with indirect consumer phase)
- Total product carbon footprint (million tonnes CO₂e) (without indirect consumer phase)
- Reduction in product carbon footprint vs 2015 (%)
- Scope 1 GHG emissions (tonnes CO₂e)
- Scope 2 GHG emissions (location-based) (tonnes CO₂e)
- Scope 2 GHG emissions (market-based) (tonnes CO₂e)
- Reduction in GHG emissions Scope 1 & 2 vs 2015 (%)
- Energy use (GJ) (manufacturing and warehouses only)
- Energy use per unit of production (GJ per tonne of product)
- Reduction in energy use in manufacturing & warehousing per unit of production vs 2015 (%)
- Renewable electricity across operations (%)

Water

- Total product water footprint (million l) (with indirect consumer phase)
- Total product water footprint (million l) (without indirect consumer phase)
- Reduction in product water footprint vs 2015 (%)
- Water withdrawal (m³)
- Wastewater discharge (m³)
- Water discharge per unit of production (m³ per tonne of product)
- Water use per unit of production (m³ per tonne of product)
- Reduction in water use in manufacturing and warehousing per unit of production vs 2015 (%)

Waste

- Total waste (tonnes)
- Waste per unit of production (tonnes per tonne of product)
- Hazardous waste per unit of production (tonnes per tonne of product)
- Reduction in waste from our operations per unit of production vs 2015 (%)
- Zero waste to landfill (% factories)

Health, safety and wellbeing

- Lost Work Day Accidents (no.)
- Lost Work Day Accident Rate (LWDAR) (per 100,000 hours)
- Reduction of Lost Work Day Accident Rate (LWDAR) vs 2021 (%)
- Reduction of Lost Work Day Accident Rate (LWDAR) since 2018 (%)
- Recordable accidents (no.)
- Employee fatalities (no.)
- Contractor fatalities (no.)
- Severe accidents (no.)
- Total Recordable Frequency Rate (TRFR) (per 100,000 hours)
- Reduction of Total Recordable Frequency Rate (TRFR) vs 2021 (%)
- Reduction of Total Recordable Frequency Rate (TRFR) since 2018 (%)
- Occupational illness cases (no.)
- Occupational illness frequency rate (per 100,000 hours)

Inclusion

- Women employed – Group Board (% at 31 December 2022)
- Women employed – Executive Committee (% at 31 December 2022)
- Women employed – Group leadership team (% at 31 December 2022)
- Women employed – senior management (% at 31 December 2022)
- Women employed – global employees (% at 31 December 2022)

Partnering for social impact

- People engaged with purpose-led partnerships, programmes and campaigns to promote awareness for a cleaner, healthier world (no.)
- People engaged with purpose-led partnerships, programmes and campaigns to promote awareness for a cleaner, healthier world (no.) (cumulative no. since 2020)

Our assurance engagement does not extend to information in respect of earlier periods or to any other information included in the Report.

SUSTAINABILITY GOVERNANCE, REPORTING AND ASSURANCE CONTINUED

Reporting period

Covers 1 January 2022 - 31 December 2022

Reporting criteria

Reckitt's reporting criteria and definitions

Assurance standard and level of assurance

We performed a limited assurance engagement, in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) 'Assurance Engagements other than Audits or Reviews of Historical Financial Information' and in accordance with ISAE 3410 for Greenhouse Gas data issued by the International Auditing and Standards Board.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for a reasonable assurance engagement and consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Respective responsibilities

Reckitt is responsible for preparing the Report and for the collection and presentation of the information within it, and for the designing, implementing and maintaining of internal controls relevant to the preparation and presentation of the selected information.

ERM CVS' responsibility is to provide conclusions to Reckitt on the agreed scope based on our engagement terms with Reckitt, the assurance activities performed, and exercising our professional judgement. We accept no responsibility, and deny any liability, to any party other than Reckitt for the conclusions we have reached.

Our conclusion

Based on our activities, as described below, nothing has come to our attention to indicate that the 2022 data for the disclosures listed under 'Scope' above are not fairly presented in the Report, in all material respects, in accordance with the reporting criteria.

Our assurance activities

Considering the level of assurance and our assessment of the risk of material misstatement of the selected information, a multidisciplinary team of sustainability and assurance specialists performed a range of procedures that included, but was not restricted to, the following:

An assessment of the appropriateness of the reporting criteria for the selected information

- A review of external media reporting relating to Reckitt to identify sustainability issues in the reporting period that may be relevant to the assurance scope
- Interviews with representatives responsible for managing the selected issues
- Interviews with relevant staff to understand and evaluate the relevant management systems and processes (including internal review and control processes) used for collecting and reporting the selected disclosures
- A review at corporate level of a sample of qualitative and quantitative evidence supporting the reported information
- An analytical review of the year-end data submitted by all locations included in the consolidated 2022 Group data for the selected disclosures which included testing the completeness and mathematical accuracy of conversions and calculations, and consolidation in line with the stated reporting boundary
- Visits to three Reckitt production sites in UK, Poland and India to review source data and local reporting systems and controls
- A further virtual visit to one Reckitt production site in Brazil to review source data and local reporting systems and controls
- Confirmation of conversion and emission factors and assumptions used
- A review of the presentation of information relevant to the scope of our work in the Report to ensure consistency with our findings

The limitations of our engagement

The reliability of the assured information is subject to inherent uncertainties, given the available methods for determining, calculating or estimating the underlying information. It is important to understand our assurance conclusions in this context.

Our independence, integrity and quality control

ERM CVS is an independent certification and verification body accredited by UKAS to ISO 17021:2015. Accordingly we maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements. Our quality management system is at least as demanding as the relevant sections of ISQM-1 and ISQM-2 (2022). ERM CVS applies a Code of Conduct and related policies to ensure that its employees maintain integrity, objectivity, professional competence and high ethical standards in their work. Our processes are designed and implemented to ensure that the work we undertake is objective, impartial and free from bias and conflict of interest. Our certified management system covers independence and ethical requirements that are at least as demanding as the relevant sections of Parts A & B of the IESBA Code relating to assurance engagements.

The team that has undertaken this assurance engagement has extensive experience in conducting assurance on environmental, social, ethical, and health and safety information, systems and processes, and provides no consultancy related services to Reckitt in any respect.

Other matters

We have provided Reckitt with a separate management report with our detailed (non-material) findings and recommendations.

Gareth Manning

Partner, Corporate Assurance
London, United Kingdom

22 March 2023



ERM Certification and Verification Services, London
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ETHICAL BEHAVIOUR

Following high standards is fundamental to how we do business. We focus on having the right culture and policies to help our people behave in the right way.

ETHICAL BEHAVIOUR CONTINUED

Our commitment to 'Do the right thing. Always', is at the heart of our Compass. It guides us in acting responsibly and with integrity, putting people first, seeking out new opportunities, striving for excellence and building shared success with our stakeholders. We work to strengthen our approach to behaving ethically, improving our processes, policies and tools for staying compliant, and supporting our people in making good decisions.



Our Ethics and Compliance programme

We do business with high ethical standards and in line with the laws and regulations of each country where we operate. This includes data privacy, competition law, sanctions and anti-bribery regulations. We work hard to prevent unethical behaviour and respond promptly to violations of our policies.

Underpinning our commitment to 'Do the right thing. Always' are these objectives:

- Embed and sustain an effective Ethics and Compliance programme that helps us mitigate our key risks, in line with our business strategy
- Empower everyone at Reckitt to make informed choices and promote a culture of integrity
- Predict, detect and mitigate compliance risks and correct any non compliant behaviour
- Protect Reckitt and our stakeholders from threats caused by potentially unlawful or unethical decisions

To achieve these objectives, we've structured our Ethics and Compliance programme around a framework aligned to regulators' expectations on the hallmarks of an effective programme. Our framework has seven components.

- **Risk management** – We regularly conduct risk assessments to identify and evaluate our risks, prioritise focus areas and agree on any remedial actions
- **Oversight and resources** – We strive to have a strong 'tone at the top' by having our leadership teams engaged in our Ethics and Compliance programme and keeping them aware of emerging areas of risk exposure. We also ensure that we have the appropriate resources to implement our Ethics and Compliance programme
- **Policies and procedures** – We give our people clear guidance on what to do through policies and procedures that help us follow laws and regulations and meet ethical expectations
- **Monitoring** – We adopt controls relevant to our business and monitor their effectiveness in an effort to reduce risks, identify and address issues and improve our business resilience

- **Investigation and resolution** – We promote a culture where our people feel they can report wrongdoing and be confident that we will thoroughly investigate the issues they flag to us until they are resolved
- **Training** – We regularly provide training on our policies and procedures. Mandatory compliance training is released every year and undertaken by all employees. The training includes topics such as anti-bribery, competition law, privacy, cyber security and product safety
- **Communications** – We engage our people on the importance of 'Doing the right thing. Always', and share examples to help them understand the trade-offs between 'getting the job done' and 'acting responsibly at all times'

Our Ethics and Compliance team, led by the Chief Ethics and Compliance Officer, spearheads the programme and supports the business in achieving its objectives.

Our principal compliance risks in 2022

In 2022, we strengthened our processes to manage and minimise our principal risks, including:

- Risk of third-party non-compliance
- Risk of non-compliance with trade sanctions
- Risk of bribery and corruption, including in the context of interactions with healthcare professionals and healthcare entities
- Risk of non-compliance with data privacy laws, regulations and individuals' expectations of their privacy rights

Progress on mitigating risks in 2022

During 2022 we implemented more mature controls to mitigate our exposure to our principal risks. We also strengthened our Ethics and Compliance programme as a whole.

Improving our control maturity

Risk of third-party non-compliance

In 2022, we concluded the roll out of our enhanced third-party compliance risk management process. The process tailors our preliminary due diligence assessments to the inherent risk profile of the third parties who we are considering engaging with, and allows for additional follow-up when necessary.

ETHICAL BEHAVIOUR CONTINUED

We understand that the execution of third-party due diligence assessments is only one of the components of an effective third-party risk management programme. To further augment our ability to mitigate the risk of third-party non-compliance, we are beginning to use automation to screen third parties we do business with.

Risk of non-compliance with trade sanctions

In February 2022, the US, EU, UK and other countries implemented sanctions against Russia.

Actions taken in response to this situation included:

- Issuance of communications to the employee base with guidance for trade sanctions compliance
- Implementation of a cross-functional operating model to address questions and provide operational advice related to complying with sanctions
- Screening third parties against sanctions lists, reviewing red flags and terminating engagements in compliance with sanctions.

Risk of bribery and corruption

In 2022, we continued to take action to counter the risk of bribery and corruption in our dealings with third parties. This included:

- Reminding our people about the risks involved in exchanging gifts and entertainment, particularly in periods like Christmas, Chinese New Year, Diwali and other festivities.
- Giving role-specific training on how to manage bribery risks in the context of interactions with healthcare professionals and healthcare entities
- Implementing a process for job applicants, employees and third parties to disclose conflicts of interest in their dealings with us

We continued to forbid donations to political parties or candidates. We validated the adequacy of our anti-corruption programme by taking part in Transparency International's Corporate Anti-Corruption Benchmark Assessment which showed we improved our Anti-Corruption Maturity Posture by six points from the 2021 assessment.

Risk of non-compliance with data privacy laws

To counter the risk of non-compliance with data privacy laws and regulations, we:

- Strengthened our privacy operating model in Europe, extending the privacy lawyers' remit to cover all Business Units. The team is responsible for assessing privacy risks from our activities and recommending safeguards to mitigate them 'by design'
- Continued to roll out our data privacy programme globally, focusing on jurisdictions adopting new or more stringent laws, like the US, Australia, Mexico, Brazil, India, South Africa and Dubai
- Assessed more than 100 projects to identify privacy risks and recommend data protection controls to manage them from the start
- Delivered data privacy training to all employees and provided extra role-specific training to employees in high-risk jurisdictions such as Europe and in high-risk functions like IT, marketing, HR and e-commerce
- Initiated a process to establish our Responsible Consumer Data Principles to make sure personal data is handled in line with the legal baseline, but also in line with people's expectations of their privacy rights and with our ethical values

We didn't receive any consumer privacy complaints from regulators in 2022, though we decided to report one data breach voluntarily.

Strengthening our Ethics and Compliance programme

We also took the following actions to increase or maintain the current-state maturity of our Ethics and Compliance programme:

- Hosted quarterly risk and compliance committees with the Business Units and the Group Executive Team, as well as with Board members
- Enhanced our culture of integrity through:
 - Mandatory training modules on Code of Conduct, anti-bribery and corruption, competition law, data privacy, cyber security and product safety. As of February 2023, 99% of people completed this training. New joiners complete the training as part of their onboarding
 - Introducing role-specific training on interactions with healthcare professionals and entities
- Raised awareness through communications including:
 - Compliance messages from our leaders through townhalls, emails, intranet posts and other channels
 - Written ethics and compliance communications, using email, intranet posts and our internal social media, to remind them of what to do to mitigate our principal risks

We also drove engagement with our corporate policies and ethics and compliance intranet site by issuing articles and newsletters pointing our employee base towards those sites.

We recognise that instances of misconduct can happen. Throughout 2022, we continued to raise awareness of our confidential Speak Up! service, which encourages employees and third parties to ask questions and raise concerns about misconduct. In 2022, we received 644 Speak Up! reports, with 426 cases meriting investigation.

Investigations can lead to both changes in working practice or other disciplinary action. Out of the 426 investigable Speak Up! cases in 2022, 43 employees were dismissed.

"DURING 2022, WE STRENGTHENED OUR ETHICS AND COMPLIANCE PROGRAMME AS A WHOLE."

ETHICAL BEHAVIOUR CONTINUED

Continuing our approach to responsible marketing

Building and sustaining a successful business depends on trust from consumers. We use our brands to demonstrate our values and purpose, as well as communicate the benefits of our products in a way that is legal, decent, honest and truthful.

Through our marketing communications and activities we want to represent the diversity of our consumers, drive responsibility through partnerships and strive for meaningful sustainable impact.

We feel an imperative to guide our employees, stakeholders and partners on responsible marketing. Central to this approach is our commitment to comply with the law and to be guided by industry self-regulatory best practices. When we created our existing Ethical Marketing Principles in 2015, we had not yet embedded our brand purpose or Sustainability Ambitions into the business to the extent we have today. Nor had we fully understood the growing importance of digital and the multiple opportunities it creates for marketers to speak with consumers. Brands now have much more consumer information, as well as a duty to source and sort this data responsibly to preserve consumers' trust.

Driven by these changes, we launched our new Responsible Marketing Principles and a Responsible Marketing Policy in March 2022. These apply to all brands, audiences and communications or activities, in all media. This includes everything from sponsorships, promotions, packaging, in-store, on or offline, to TV, radio, print, outdoor, cinema, websites and blogs. It also includes influencer marketing, social media or sponsored content, Artificial Intelligence, connected packaging, banners and educational material. We rolled out the Principles and Policy, invested in training and change management to make sure employees affected by the Policy clearly understand what's expected of them. All marketers are assigned the Responsible Marketing training, and it's available to everyone else.

We are measuring compliance with the Policy through key performance indicators. We monitor feedback from consumers, customers and employees on our marketing on an ongoing basis, for example through our consumer care lines or our Speak Up! Line.

Looking ahead

While we continue to work to make access to the best hygiene, wellness and nourishment a right and not a privilege, we know social, economic and environmental challenges will mean a tighter regulatory environment for businesses, as well as higher expectations from ethical consumers.

Despite the challenges, we are confident in our Ethics and Compliance programme and will carry on strengthening it, supported by strong leadership and by our improved risk management capabilities to help us spot emerging risks and rectify known issues.





SELF-CARE

Our brands and partnerships support public health systems by giving people access to the information and products they need to protect their health and wellbeing.

SELF-CARE CONTINUED

Promoting self-care and giving people the tools to practise it goes to the heart of our Purpose to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world.

During the pandemic, a spotlight was shone on the importance of good hygiene practice to protect people's health. Global megatrends that predate COVID-19 are putting pressure on public health systems, making it important that these habits continue and are reinforced. Urbanisation is increasing population density, helping illnesses to spread and increasing the risk to sexual health. An ageing population means there are more people with chronic conditions. Climate change contributes to increases in water scarcity, threatening a resource that's vital for sustaining health. Higher global temperatures are a health challenge in themselves and contribute to the spread of bacterial and viral diseases.

These global megatrends place ever-greater strain on healthcare systems. This is making self-care increasingly important to safeguarding wellness.

The World Health Organization (WHO) defines self-care as "individuals, families and communities promoting and maintaining their own health, preventing disease, and coping with illness and disability, with or without the support of a health worker".

This relies on access to the best information and to the right products. It enables people and communities to protect, heal and nourish themselves, supporting their own health and wellbeing and relieving pressure on healthcare systems. Governments and businesses like ours can provide access to products that bolster hygiene, health and nutrition, and help people understand the valuable part that these products can play.

Putting self-care at the heart of who we are and what we do

Our brands and products can, by promoting health and nutrition and improving hygiene and sanitation, help prevent disease and support delivery of the Sustainable Development Goals for health and wellness. By providing effective over-the-counter medicines, and improving health literacy, we can reduce the burden on over-stretched healthcare systems.

We want to make access to the highest-quality hygiene, wellness and nourishment a right, not a privilege. Our ambition for 2030 is to reach half the world with brands that enable people to lead cleaner, healthier lives.

For instance, our disinfectant products Dettol and Lysol help people protect their households and wider community from bacteria and viruses. By enabling better hygiene and sanitation, we reduce the risk of waterborne and diarrhoeal disease, a major cause of illness and death in many countries. Our Mortein coils repel mosquitoes, reducing the spread of diseases like malaria and dengue fever.

Our Enfamil infant formula supplements children's nutrition and helps to reduce infant mortality. We promote sexual wellbeing and help prevent disease through Durex. Over-the-counter treatments like Strepsils and Nurofen help people treat illnesses themselves. The Association of the European Self-Care Industry has found that anywhere up to 25% of doctors' consultations for minor ailments could be substituted by self-care solutions.¹

Trustworthy information is critical to effective self-care. COVID-19 has shown the potential to engage people with self-care messages. Our partnerships with NGOs, government and healthcare organisations continue to provide information to boost health literacy and help people make informed choices to protect their health and wellbeing. We work with public health providers and communities to make this possible by promoting all aspects of self-care.

For example, with Dettol in South Africa, we launched Mzansi Protect, an initiative to encourage handwashing to reduce the incidence of diarrhoea by 50% by 2027. Currently, the disease is the second leading cause of death in South African children aged five years and below.² As part of this initiative, in 2023, Dettol will educate one million learners and 500,000 new parents across South Africa, with particular attention given to vulnerable communities to ensure no one is left behind. Dettol will be joined by two new partners — The Nelson Mandela Foundation and the South African Rugby Union (The Springboks) — who will work with Dettol and the South African departments of Health and Basic Education to meet this goal.

1. Self-Care in Europe: Economic and Social Impact on Individuals and Society by May und Bauer – Konzepte im Gesundheitsmarkt GbR
2. WHO



PARTNERING TO PROVIDE SELF-CARE AID

In September, the flooding in Pakistan caused a devastating impact to over 33 million people. We partnered with organisations such as Carrefour and Pakistan's Red Crescent Society to provide aid.

The unprecedented floods have severely affected Pakistan's people, their health and livelihoods, and the country's infrastructure. With the flooding comes the increased risk of waterborne diseases, including dengue fever, which is spread by mosquitoes. This is where we stepped in to provide support via our mosquito-repelling Mortein products, so we can help to protect those in need.

As there is no dengue vaccine available in Pakistan, the most effective treatment is prevention. We built on our 'Dengue Ab Nahi' (Dengue No More) mission, which supports awareness and prevention of dengue by providing free Mortein coils to areas most at risk of an outbreak. By giving communities impacted by the floods easy access to effective mosquito repellents, we can help them to safeguard themselves and their loved ones against the spread of the dengue virus.



SELF-CARE CONTINUED

Using our global reach to boost health and wellbeing

We can use our scale and our global reach to help people access self-care products and information. Our approach is grounded in science, working with partners to understand the issues that affect our consumers and identify opportunities where we can make a positive difference.

For example, in 2022, we produced the first **Nurofen Gender Pain Gap Index Report**, which provides evidence of the gap between women's and men's experience and treatment of pain. The report is based on a nationwide survey of over 5,000 men and women in the UK.

The goal was to gain knowledge of people's perceptions and experiences of pain from a statistically significant sample of the UK population. These insights have informed the actions and commitments made by Nurofen to help close the Gender Pain Gap. These commitments (see figure) are in line with the ambitions outlined in the UK Government's recent Women's Health Strategy. To meet them, Nurofen will look to work over the coming years with relevant organisations, brands and individuals.



GENDER PAIN GAP



Gender Pain Gap Index Report

Nurofen is committed to commissioning the *Gender Pain Gap Index Report* regularly to track the gap over time.



Making women more visible in clinical research

Nurofen is committed to gender balance in the design, conduct and analysis of clinical research and commits to including, studying and understanding women in research. Nurofen will always consider gender when interpreting our findings, publishing the results where appropriate to improve pain management and research.

Gender representation in the last 30 years of Nurofen's clinical research has been very encouraging, with 53% female and 47% male subjects being enrolled in 50 studies.



Product innovation

Nurofen commits to innovation that brings new and improved solutions for women's pain.



Health care practitioner (HCP) training and education

Nurofen will invest in training to specifically support HCPs identify and overcome any gender bias within their daily work, with training reviewed by Nurofen's HCP advisory board.



Tools

Nurofen will develop a variety of new tools that will assist both women and men in their descriptions and articulation of their pains to healthcare professionals. These tools will be freely accessible to all via the Nurofen website and distributed to relevant community groups.

OUR ONGOING JOURNEY

Helping to close the Gender Pain Gap will take time. But we know it's the right journey to take.

In addition to the commitments made today, Nurofen will further analyse insights from consumers and healthcare professionals to produce detailed commitment roadmaps in areas where the Gender Pain Gap is most prominent.

We will work over the coming years with relevant organisations, brands and individuals to build on our commitments today with impactful goals and outcomes.

SELF-CARE CONTINUED

Enabling self-care through our value chain

Our brand, environmental and human rights programmes work to promote health and wellbeing and support livelihoods. They extend into the communities of our value chain, where we source our ingredients and manufacture our products.

For instance, in Thailand, where we source raw materials for Durex, we're continuing to invest in the health of workers in rural communities. Our work with the Planned Parenthood Association of Thailand delivers guidance on family planning, diseases and preventative measures. The programme also provides access to sexual health services through mobile centres and drop-in clinics, offering basic tests, treatments and preventative products, as well as referrals to local hospitals.

We support the work of healthcare organisations in spreading positive messages around self-care, helping them reach both consumers and healthcare professionals.

Developing new thinking

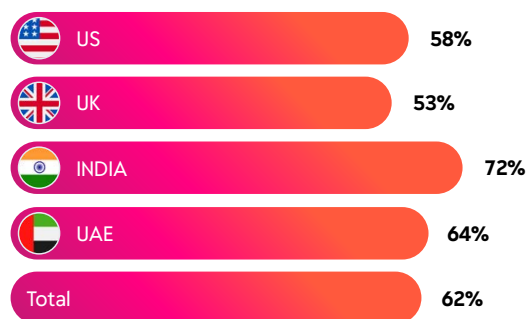
We work with governments, NGOs and academia on new thinking and ideas on topics like sanitation and sexual health.

At the COP27 climate change conference in 2022, we launched research exploring the link between the health of the planet and people's health.

This work, published in *Reckitt Planetary Health is Human Health Report: 2022 edition*, turns previous insight into action by commissioning new quantitative research in the UK, US, United Arab Emirates (UAE) and India. It explores how people perceive the health impacts of climate change, what actions they are taking themselves as a result, and what measures they want to see from businesses and government.

The research shows that the majority of people (79%) agree that climate change and people's health are connected. Nearly two-thirds (62%) believe that climate change is already negatively affecting the health of people in their country. In hotter countries, like India and the UAE, that figure is higher.

PERCENTAGE OF PEOPLE WHO BELIEVE THAT THE HEALTH OF PEOPLE IN THEIR COUNTRY IS ALREADY NEGATIVELY AFFECTED BY CLIMATE CHANGE



Base (all respondents) Total: 4,171; US: 1,121; UK: 1,050; India (weighted): 1,000; UAE (weighted): 1,000

Source: *Reckitt COP27 Planetary & Public Health Global Report (October 2022)*

Overall, 70% agree that climate change and their own personal health are connected. However, many were uncertain as to what they could do themselves to combat these health impacts. People support action on climate and health and see it as a priority. Healthcare and climate change rank as people's second and third most pressing priorities for government, behind only the cost of living and economic recovery.

We also hosted five events at COP27 focused on the links between health and climate change. These sought to raise awareness and understanding of the importance of climate resilience related to health, issues around water scarcity, and pandemic threats from the spread of pests, among other things.



CONNECTING WITH OUR CONSUMERS THROUGH MUSIC TO FIGHT SHAME AND STIGMA WITH DUREX

To promote sexual health, Durex continues to fight for a world of sexual security, challenging symbols of shame and stigma, while reducing the risk of sexually transmitted infections. For example, it has embarked on one of its most ambitious campaigns by collaborating with rap artists in a music video, with the aim of promoting sex positive messages.

Launched at the Austin City Limits festival in Texas, F.Y.P (For Your Penis) challenges the popular idea that size is all that matters for great sex. It focuses on the importance of a well-fitting condom in giving confidence, comfort and protection. The campaign encourages consumers to #getfitted.

Durex has identified the fit of the condom as the number one driver of positive condom usage, addressing key barriers of consumption and challenging societal stigmas around penis size. In 2022, Durex launched a 'fit condom' platform, a range of products enabling consumers to make the right condom choice, to #getfitted and find their best fit, to ensure comfort, confidence and protection.



SELF-CARE CONTINUED



STREPSILS HELPING TO TACKLE ANTIMICROBIAL RESISTANCE

Nine out of 10 sore throats don't require antibiotics as part of effective treatment. Common colds never need them.

Taking antibiotics when they're not needed is a key contributor to antimicrobial resistance (AMR) — for example, to treat a virus, rather than a bacterial condition. AMR is an issue we should all care about. Increasing AMR means infections will become increasingly difficult to treat, with common medical procedures, including surgical dentistry, caesarean sections and appendectomies, becoming riskier.

Everyday ailments, including sore throats, coughs and common colds, are among the leading reasons people overuse antibiotics. What's worse is that they don't provide what the patients really want – fast relief of their condition.

The Sore Throat and Antibiotic Resistance (STAR) study, launched during the WHO's World Antibiotic Awareness Week 2022, found that almost half (43%) of adults believe that antibiotics are the most effective way to treat respiratory illnesses. One-third of adults feel anxious being treated for respiratory conditions like sore throats without antibiotics. However, sufferers usually benefit more from effective treatments for their painful symptoms, such as anti-inflammatory throat lozenges and painkillers. That's why we campaign to raise awareness around AMR. For example, during World Antibiotic week, and as part of the Global Respiratory Infection Partnership, we sought to raise awareness through consumer education campaigns.



By encouraging people to manage their symptoms safely and effectively with over-the-counter treatments, such as Strepsils and Mucinex, we're helping sufferers ease their symptoms and are positively tackling one of the top 10 global public health threats, preserving antibiotics for the times they're really needed.

Making regulation work better for consumers

Consumers must be confident that healthcare products are safe and effective. We work with governments to make sure regulations provide that confidence. We also make products as easy to access as possible, helping consumers to get the right medicines to support self-care. This can include working with authorities to simplify regulation so that products can come to market sooner while still being stringently tested, or switching from being prescription-only to being available over the counter.

For instance, in 2022 we stepped up to help US families get access to infant formula following the temporary closure of another manufacturer's factory that resulted in a nationwide shortage. We worked with US authorities at the highest levels to unlock supply bottlenecks and quickly qualify our sites in Singapore and Mexico so they could export formula into the US market. This ensured that parents were able to provide their infant children with the safe, high-quality nutrition they needed.

A close-up photograph of a male scientist in a laboratory setting. He is wearing a white lab coat over a blue and red patterned shirt, a white hairnet, and clear safety goggles. He is focused on his work, holding a white pipette tip with his gloved orange hands. The background is slightly blurred, showing laboratory equipment and shelves.

PRODUCT SAFETY AND QUALITY

Consumers trust us to do everything we can to keep them safe and protect the environment. So we focus on safety and quality at every stage of a product's life, from design to disposal.

PRODUCT SAFETY AND QUALITY CONTINUED

Consumers rightly expect that the products they buy from us are safe and effective. We work hard to uphold the highest standards of safety, while maintaining the quality and effectiveness of our products. We do this by reinforcing our culture of quality and safety, regularly reviewing our processes and practices, investing in technology and listening to our stakeholders.

Safety and quality are priorities for us along the entire lifecycle of every product, from design to disposal. We design products with both the consumer and the planet in mind. We aim to pre-empt and respond to any risk we see. We listen to what consumers say to identify and manage potential risks and to continually improve our products.

Each of the hundreds of products we produce comes with its own challenges and possible risks, which we need to manage to keep consumers safe and maintain quality. We use research from our own R&D labs as well as outside sources to continually re-evaluate our products' risks and benefits. We have robust policies and procedures in every market, in every factory and with our suppliers that ensure compliance with regulations and uphold the very high standards we set for ourselves.

We follow a six-stage approach to safety and quality:

- 1. Concept and product design** – Identifying new product innovations and ways to better meet the needs of consumers
- 2. Marketing and communications** – Engaging with customers and consumers to help them use our products and to get their feedback
- 3. Manufacturing and distribution** – Producing our products and getting them into people's homes
- 4. Consumer feedback and recall** – Listening to what consumers say and, if we need to, getting products returned to us
- 5. Obsolescence and disposal** – Disposing of products that are no longer the best they can be, either because of age or because we've developed a better alternative
- 6. Review and improvement** – Continually considering product quality and safety, across each of the stages of a product's lifecycle and developing our approach to continually lift standards

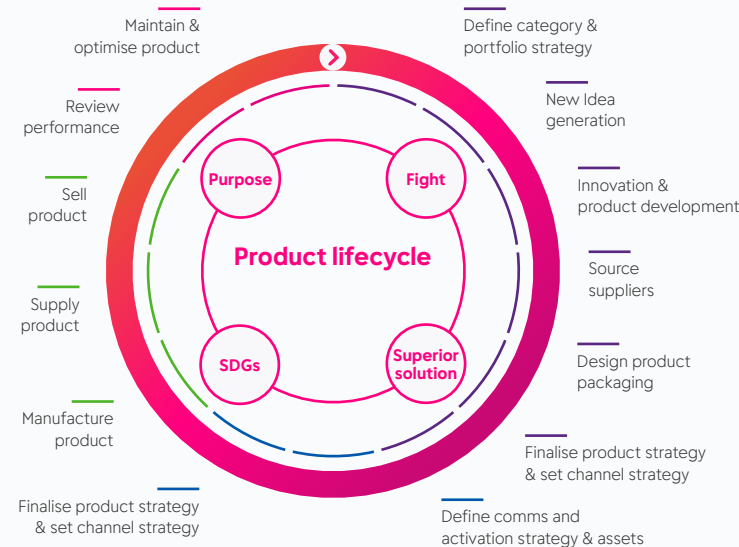
Our safety and quality policies

We have two key policies: Our **Product Safety Policy** and our Commitment to Quality Statement, which is part of our Reckitt Quality Manual. We also have supporting policies that focus on more specific standards, for example for managing our products, ingredients and ways of working. Our Quality Manual covers the whole product lifecycle. Our policies and procedures are available digitally, helping us track activities like training and monitoring product safety and quality through the supply chain. This helps us to be agile and comprehensive in how we assess and manage risk.

Our products go through rigorous safety and quality gateways throughout design and manufacturing. This helps make sure they consistently meet our safety and quality standards. We also focus on making information and labelling simple and accessible in every language and culture.

We set out to create and improve products based on what our consumers tell us. This is how we make sure products work well and remain safe. Even so, how consumers use or store products, rather than any quality issue, can trigger complaints.

OUR PRODUCT LIFECYCLE



PRODUCT SAFETY AND QUALITY CONTINUED



INVESTIGATING CUSTOMER CONCERNS THROUGH ROOT CAUSE ANALYSIS

We set out to create and improve products based on what our consumers tell us. This feedback and improvement cycle mechanism was triggered when consumers and store owners found that some Airborne vitamin gummy pots were becoming pressurised while on the shelf, causing some caps to fly off, presenting a health and safety risk. When we investigated, we found that the pots' permeable seals were faulty. They were not allowing the release of gas that naturally builds up as vitamin C ages. This started a thorough investigation into why the previously permeable seals were no longer behaving the way they should. It led to a redesign of the packaging and the fitting of a new manufacturing line to prevent the problem.



Progress during the year

We've kept high standards of safety and quality throughout our network of sites and suppliers over the past year, enhancing the resilience we built up during the COVID-19 pandemic. We improved our raw material specifications and set standards to ensure that our ingredients meet our stringent quality and safety requirements.

We continued to invest in safety systems and processes to improve our ability to drive safety by design into our product development, and to detect any issues that arise with our products in the market. We had four consumer recalls in 2022, demonstrating that we are responsive to these issues and are ready to act when necessary. Having some targeted recalls in a year across a large portfolio is not uncommon. In each case, we took action.

Quality as a competitive advantage

We continued to perform strongly in our external quality audits and build momentum behind our Culture of Quality Programme. Embedding root cause problem solving (RCPS) remained a priority throughout the year. This involves applying a methodology we have developed to help identify the underlying cause of a quality issue. We used our specialised toolkit to develop essential competencies and to avoid recurring issues, and we continue to evolve our problem-solving process from a reactive to an improvement-focused approach.

We continue to build our quality management capabilities across Reckitt, providing forums and communities for individuals and teams to review issues, share best practice and build on successes. The metrics we track internally indicate a significant improvement in performance as well as providing us with powerful insights on where to focus and further improve. For example, we have seen significant improvement in our metrics measuring 'right first time' in manufacturing and product turnaround times. To further cultivate a continuous improvement mindset, we will develop targeted quality improvement plans in 2023 to tackle key areas, emphasising the importance and benefits of implementing fact-driven action plans and becoming increasingly improvement-focused.

Beyond this, our Culture of Quality champions continue to deliver RCPS training across all functions, extending to Supply Services and Human Resources in 2022. We will be deploying further toolkits to roll out continuous improvement methodologies, such as Process Mapping and Gemba Walks (site evaluations of quality and safety by leaders), as well as providing related coaching. This will help us to enhance our ways of working and our improvement capabilities across the organisation.

Investing in our infrastructure and systems

Technology is central to transforming our approach to quality management. It enables us to be more effective and more efficient, freeing up time and resources for product improvement.

Last year, we successfully implemented the change and deviation management modules from the Veeva Quality One Platform, a cloud-based software solution that helps us manage quality processes and document control. We will continue improving key quality processes even further, with the planned deployment of the risk management and document management modules in 2023. Supplier and audit management modules are also planned for deployment by early 2024.

Quality One supports Reckitt in realising its Quality Vision, helping us increase productivity and efficiency. By using the latest technology, we can digitise our key quality processes in one platform, providing data in a single source and giving us actionable insights in real time. This allows us to track quality issues, quickly identify and resolve problems, and guarantee that products surpass the highest standards and meet consumer expectations.

Within our Quality Control laboratories, we are implementing a Global Laboratory Excellence programme. This targets the development of faster and more modern testing methods and makes more use of digital technology. In 2022, we extended this programme, including the implementation of a tool that uses artificial intelligence (AI) to help manage resourcing of our laboratories. It is a unique system that uses advanced machine learning and AI technology to optimise planning in our laboratories. It automates routine quality control administrative tasks, accelerating the process and producing more accurate resourcing requirements far quicker.

With supply chains under pressure to manufacture to tight schedules, this tool streamlines the administrative processes fundamental to testing products, drastically reducing the administrative burden and shortening test turnaround times, releasing time for improvement.

PRODUCT SAFETY AND QUALITY CONTINUED

Embedding a culture of safety and quality

A culture where everyone sees quality as part of their job is fundamental to ensuring high standards. Promoting this culture is part of our Product Safety and Quality programme.

We again passed 100% of our external quality audits and continued our Culture of Quality programme. As the number of people involved in our programme grows, we continue to champion our successes, learn from our failures and strive to inspire by visibly prioritising quality. This reinforces the cultural environment, embedding the right behaviours throughout the organisation and making quality part of our everyday conversations.

For World Quality Week 2022, we celebrated by recognising those who continuously strive to do the right thing and emphasising that quality is everyone's responsibility. We put the feedback of consumers at the forefront of our thought processes and encouraged champions to own and deliver their own Quality Days and events throughout the year. There was an outstanding level of engagement throughout the organisation, both during World Quality Week and throughout the year, and the results were impressive (see case study on page 24).

To further support the growth of the programme, we have invested in our Culture of Quality community resources and launched our 'Quality Tips' library. Quality Tips are powerful tools used to encourage dialogue and learn about quality. Crafted by any Reckitt employee, a Quality Tip is an insight, fact or thought-provoking statement used to start a meeting or training session to create dialogue and learning on a given topic. Quality Tips help us share and learn from our experiences, spread awareness, educate and promote deeper thinking on the significance of quality and its impact on our lives. Diversity and inclusivity are essential in creating a culture of quality in the organisation. By bringing together a variety of people with different backgrounds, experiences and perspectives, we can ensure that our work is of the highest quality.

Reducing the risk of harm

We take the safety of our consumers very seriously. Everyone at Reckitt has a role in actively managing risk to bring the world innovative, effective and, above all, safe products.

In October 2022, we launched the Reckitt Human Harm Risk Manual to help embed our approach across the business. This internal guide describes how we control and reduce the risk of human harm from the use of our products — how we keep our consumers safe. It helps our colleagues to understand how new risks can emerge at any stage in the product lifecycle. This will be included in a new Culture of Safety training programme that will run throughout 2023, and which will supplement the existing mandatory training programmes that all our people receive. The training, part of an annual cycle which is assessed to ensure people take part, reminds every employee to report any bad product experience, whether their own or someone else's.

We are also working to make sure consumers don't misuse our products. Part of this is in providing clear labelling and advice to consumers and health professionals. But we also use technology to monitor traditional and social media. If we find that misinformation or incorrect advice about the use of our products risks spreading widely, we will respond with the right information.

These efforts help us stay alert to potential safety or quality issues and the misuse of our products and take the right action to reduce risks. Our Global Safety Assurance team evaluates the safety of new products and changes to existing ones. This is based not just on how we design them to be used by consumers, but also considers how they could be misused. The team monitors product safety in the market, passing insights on to product development teams. Our **Consumer Safety Policy** has guidelines, standards and procedures for the whole product lifecycle.

Making it easier for consumers to get in touch

It is important we hear from our consumers when there's a problem. Across all of our business units, consumers can get in touch using text, chat, email and social media, or by post. This makes it easier for us to gather their feedback and gain insights that help improve our products.

Investing in safety assurance

Our Global Safety Assurance function continued to grow. In 2022, we implemented new Safety Standards in our Nutrition business, which enabled us to demonstrate the safety of imported infant formula mixes to the US authorities. This, in turn, gave them the confidence to allow us to ramp up manufacturing during the supply crisis that hit the US. We plan more investments in 2023 to ensure that our **Restricted Substances List** of ingredients, use of which must be limited or prevented, can properly anticipate emerging science and regulation. By doing this, we are ensuring that our consumers are protected now and into the future.

 See more in our [Product Stewardship Insight](#)

Building renewed strength

We have built on our Product Integrity Review project, which we completed in 2021. This £12 million global project assessed and audited 23,000 stock-keeping units sold before 2018 across 127 markets, split between our Health and Hygiene businesses. This gave us confidence that we were keeping our consumers safe and that we were managing the risk of safety breaches from products already in circulation. The project provided a deep understanding of our product portfolio and its quality and safety risks, and has strengthened the foundations for the robust policies and procedures which support safety and quality in products launched since 2018. In 2022, we invested significantly in further process improvements to make our product safety evaluations even more robust and efficient, helping to ensure that nothing enters the market that fails to meet our stringent standards.

PRODUCT SAFETY AND QUALITY CONTINUED



WORLD QUALITY WEEK AT OUR NOTTINGHAM SITE

Reckitt has been on a mission to embed a strong Culture of Quality, exemplified by our successful Quality Days in 2022. These included the Culture of Quality Event at our Nottingham manufacturing site. Held across July and August, the event was attended by 400 people, including finance, technical and engineering specialists.

The event served as a reminder of the Reckitt Commitment to Quality, providing an opportunity for everyone on site to make their own commitment. It also addressed the challenging topics of data integrity and contamination mitigation.

The contamination mitigation session took a creative approach, taking attendees through a crime scene investigation-style room. This required them to identify potential contamination risks within a realistic process replica and understand the reasons for the precautions and processes in place to avoid contamination.

The event also emphasised hand hygiene, demonstrating proper hand-washing techniques, and using finger dabs to show the potential contamination that can arise from not washing hands correctly or using the wrong equipment.

The final topic of the event centred on data integrity, giving participants an interactive refresher on the principles of ALCOA+, explaining that data should be attributable, legible, contemporaneous, original and accurate. They were given real-world examples to illustrate the cost of poor quality and the importance of valuing one's electronic signature. Participants were given data challenges to tackle and data integrity issues to discuss. They analysed the consequences of incorrect approaches

and were challenged to come up with new ideas. With over half the session dedicated to group exercises, participants had plenty of time to engage in the subject matter and learn from one another's experiences.

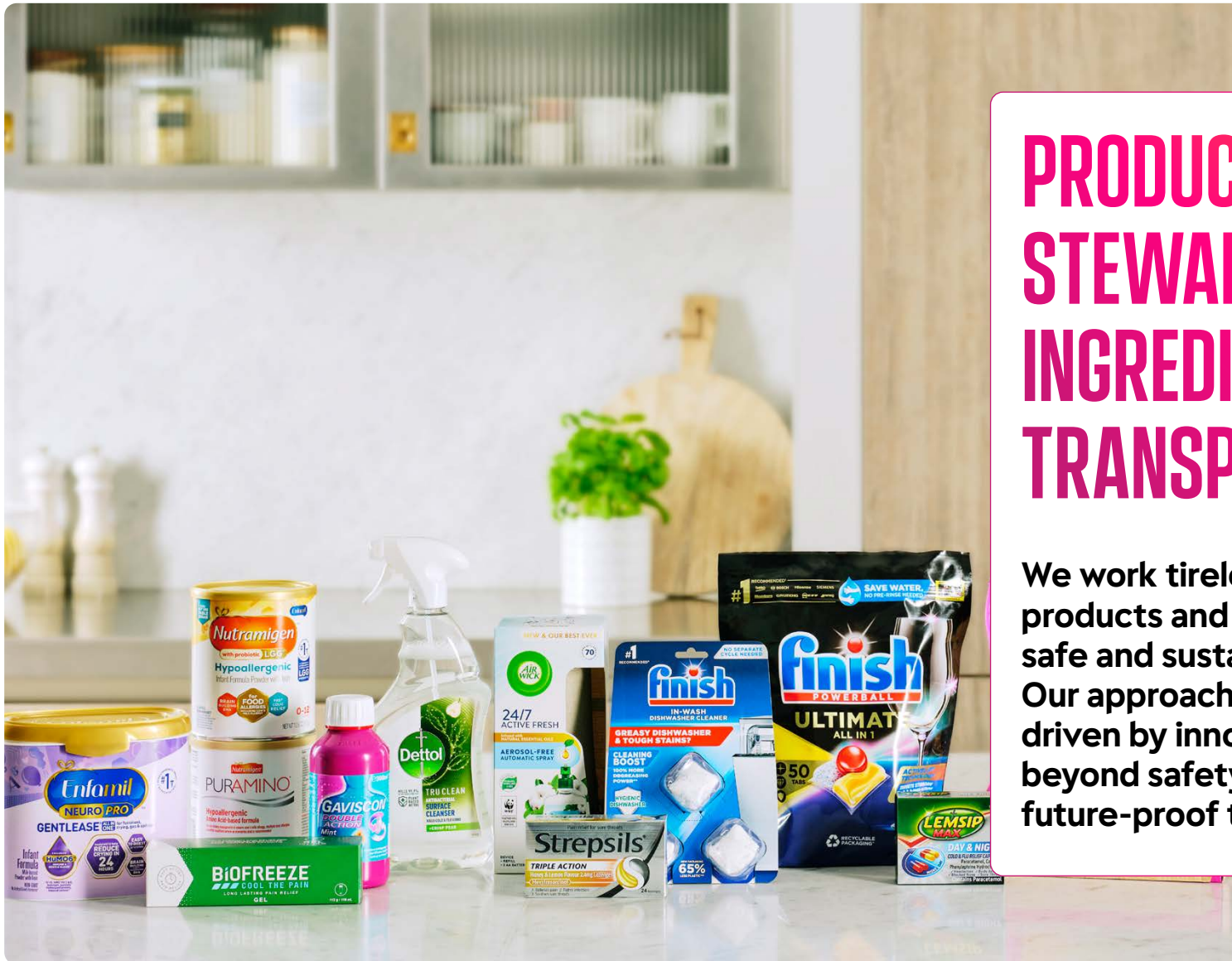
The event has continued to provide value. In September, we used the content to onboard 30 new graduates from R&D, Supply and Commercial, with more sessions planned.



Looking ahead

We will further embed product safety and quality throughout the company, remaining resilient, innovative and trusted by all our stakeholders. We will focus on:

- **Strengthening our capabilities and culture around quality.** Our Quality function acts as a coach, inspiring and training the rest of the business to keep us compliant and make sure we always meet consumers' needs
- **Continuing to invest in technology to make our processes more efficient.** Doing so helps us predict and anticipate issues and respond more quickly to trends
- **Further simplifying processes,** enabled by our digital quality management system, to manage suppliers, audits and documents. We will continue to connect processes in a single platform, and boost efficiency in our complex supply chain
- **Reinforcing our consumer advocacy capabilities.** We plan to enhance our consumer relations tools and organisation, making sure the concerns and needs of our consumers all over the world are heard in our Quality function. Doing so will give us insights that we act on to further develop our brands



PRODUCT STEWARDSHIP – INGREDIENTS AND TRANSPARENCY

We work tirelessly to make our products and their ingredients as safe and sustainable as possible. Our approach to ingredients is driven by innovation and goes beyond safety and compliance to future-proof the materials we use.

PRODUCT STEWARDSHIP — INGREDIENTS AND TRANSPARENCY CONTINUED

2022 PERFORMANCE

Our ambitions

65% reduction in our chemical footprint¹ by 2030 (vs 2020)

2022 progress

We aim to report progress from 2023 onwards

1. Chemical footprint is defined as net revenue from SKUs containing more than 0.1% (by weight) of CoHC, as legally allowed, across all business units

Product stewardship is about going beyond expected standards of safety and compliance in the ingredients we use and the approach we take to transparency. It's about anticipating risks and building resilience and sustainability into our portfolio. This is why we identify, measure and replace chemicals of concern in our products, and work with our suppliers and academic partners to identify and champion innovative materials where alternatives aren't yet available.

The safety of the ingredients we use is of the highest priority. They must be safe for people and the environment, from when we source them to when consumers dispose of them. We're transparent, providing information that's clear and honest so that consumers can make informed choices.

Our global policies on ingredients go beyond what the law demands to help us future-proof the materials we use. Our Safety, Quality and Regulatory Compliance function oversees how we apply our policies across the product lifecycle.

> For more information, see our [Product Safety and Quality Insight](#)

We anticipate regulatory and scientific developments that could affect the ingredients we use, enabling us to adapt well ahead of the legislative cycle. We invest in scientific R&D, which speeds up innovation, helping us lead our industry and respond quickly to change. This delivers consistently high quality products, and helps bolster our reputation.

There are three types of controlled ingredients that we monitor:

- 1. Chemicals of high concern (CoHC) which are banned in our products**, but may be present in small levels through impurities. These chemicals are captured in our Restricted Substance List (RSL), and we quantify our progress in reducing them further through our chemical footprint metric
- 2. Chemicals of concern which are restricted in our global portfolio.** These restrictions apply to ingredients that are intentionally added, as well as the presence of impurities. These restrictions are also captured in our RSL
- 3. Ingredients for which we have additional guiding principles**, for example, where there may be a risk of ingredients being derived from endangered species

As part of our forward-looking approach, we track emerging risks, flagging critical ingredients early and giving our R&D teams time to source, test and scale viable alternatives. It gives us insights into the safe and sustainable chemistries that matter to our customers and consumers, whether it's removing the fragrance linal from our products or finding water-based lubricants for our Durex Play lubricant gel range. We also work with our peers and others in our supply chains to ensure we can adopt and scale up sustainable chemistries.

Our focus on sustainable chemistry

To help us develop safe products with the lowest possible environmental impact, we use key concepts from green chemistry. This involves designing for:

- Safer chemistry and degradation
- Less complexity, less waste and smarter chemistry
- Energy efficiency and renewable raw materials

Green chemistry informs our approach to safe and sustainable design, where we consider carbon, water and packaging impacts, including designing for reuse or recyclability.

> For more about this, see our [Sustainable Product Innovation Insight](#)

Progress against our ambitions

We announced our ambition to reduce the chemical footprint of our products in 2021. This underpins our effective management of hazardous chemicals by quantifying the impact from substances which must not be intentionally added to formulations. We also work with our suppliers to further minimise impurities, so long as we can derive safe thresholds and generate positive safety assessments. Our chemical footprint is measured as the net revenue we earn from Stock Keeping Units (SKUs) containing a CoHC at >0.1% (by weight). Our commitment for 2030 is to reduce the chemical footprint by 65% against our 2020 baseline, as a proportion of our total net revenue.

PRODUCT STEWARDSHIP — INGREDIENTS AND TRANSPARENCY CONTINUED

In 2022, we focused on embedding the chemical footprint programme within our brand teams to ensure we drive reductions through long-term strategy and planning. To support our teams, we've developed an analytical dashboard for internal stakeholders to investigate chemical footprint contributions across our whole portfolio, down to the level of a single business unit or brand. Teams have used this dashboard since its launch in 2021, along with internal guidance on the selection of safer and more sustainable materials, to ensure projects that reduce our use of CoHC are prioritised and to prevent regrettable substitutions.

We intended to report progress against our 2030 ambition this year, however we have focused on consolidating the data underpinning our chemical footprint and refining our methodology. This will allow us to report year-on-year improvements in a consistent way from 2023 onwards.

We screen and test new ingredients to make sure they're effective and safe. In doing this, we collaborate with industry groups and suppliers to make safe and effective alternatives more available. We also work with our suppliers to improve their knowledge of safe and sustainable design. Our internal raw materials playbook, which

was launched in 2022, is a guidance and support document which is used by R&D teams in our engagement with suppliers. It provides guidance on what green chemistry is, and what our expectations are across areas of green chemistry to help build awareness and understanding (see Figure above).

Managing ingredients of concern and safe alternatives

We've been using our RSL since 2001, and with it we maintain a consistent global approach to minimising and eliminating substances of concern. As we add ingredients to it, we start rework programmes to remove them from the portfolio. This means we've steadily reduced substances of concern since 2012, as the RSL has become a key part of product development.

The RSL evolves over time, influenced by emerging scientific insights and data, how society interprets risk and what we observe. As circumstances change, there may be fresh questions over whether current ingredients remain safe and sustainable. In 2021, we developed a list of our ingredients which are under investigation as Emerging Chemicals of High Concern (eCoHC) by customers, NGOs, academics and policy makers. These have the potential to become CoHCs in the next three to five years. As they're still under investigation, we don't ban eCoHCs and they don't contribute to our chemical footprint. But we do put them on our RSL watch list and share this with our teams. This guides them towards using safer and more sustainable alternatives or alerts them about ongoing scientific advocacy around these ingredients. In some cases, we may also choose to proactively limit their use or restrict certain applications. This helps ensure our products are resilient to future regulation.

Ingredient to remove	Completion date	Progress
Lilial	2023	Removal in progress, ahead of regulation
Triclocarban (TCC)	2019	Removed from bar soaps
Fluorosurfactants	2018	Removed
Polyethylene (PE) and polyurethane (PU) microbeads	2018	Removed
Parabens (butyl, propyl, isoparabens)	2013 (EU); 2015 (rest of the world)	Reduction programme (excluding medically licensed products)

SAFE AND SUSTAINABLE BY DESIGN – RAW MATERIALS

How suppliers can support safe and sustainable design: An extract from our raw materials playbook, used by our R&D teams in supplier engagement

SUSTAINABLE CHEMISTRY				ENVIRONMENTAL IMPACTS	
CHEMICAL FOOTPRINT	SAFE & EFFECTIVE ALTERNATIVES	CIRCULAR FEEDSTOCKS	BIODEGRADABLE	CARBON	WATER
Measure and scope their chemical footprint	Supply basic hazard data for individual substances	Provide information on the origin of raw material feedstocks	Provide measures of biodegradability against set standards	Share processes used to source, make and deliver raw materials	Measure water use across the full lifecycle of the material supplied
Remove or reduce chemicals of high concern from their raw materials	Provide public GreenScreen benchmark scores	(i.e. bio-based and circularity; virgin or derived from waste)		Measure and provide emission factors for greenhouse gases across the full lifecycle of the material supplied	
Identify, share and collaborate on alternatives for emerging chemicals of high concern	Provide evidence of efficacy			Progressively identify areas of opportunity to support carbon capture within ingredient technology	

Our target: **50%** of net revenue from more sustainable products by 2030

Find out more about our approach to sustainability at [reckitt.com/our-impact](https://www.reckitt.com/our-impact)

The Sustainable Innovation Calculator (SIC) uses the above information to help product developers implement safe and sustainable by design principles.

Under suitable confidentiality agreements, the full playbook can be shared with suppliers and other stakeholders to aid understanding of Reckitt's safe and sustainable by design ambitions.

PRODUCT STEWARDSHIP — INGREDIENTS AND TRANSPARENCY CONTINUED

Our Ingredient Steering Group oversees our ingredients policies, including our RSL and its watch list. Our [RSL policy](#) defines our commitment and approach, which often means we set global limits or bans on some ingredients that go further than regulations require. It also includes guidance for formulators on how to choose better alternatives, for example for colourants and polymers.

Alongside the RSL, the Ingredient Steering Group governs how we adopt safe and effective alternatives in new or reformulated products. It acts as a global, cross-functional task force to screen new and safer alternatives for use across our portfolio.

We continue to work on alternative preservatives. We use preservatives to prevent microbial growth or other unwanted changes to our products, to make sure they reach our customers in the best condition possible. But existing preservatives are under growing scrutiny from consumers and regulators, and there are few safe and effective alternatives. Helping to address this industry-wide challenge is a priority for us.

Looking beyond the RSL

While the RSL helps us stay transparent about ingredients, we want to go further. Rather than only reacting to concerns from our industry, regulators and consumers, we progressively set the agenda on ingredients ourselves. We take the initiative, understand and set our future priorities, rather than reacting to new regulation as it emerges. Having a strong and clear position also makes it easier for our partners and suppliers to support us, helping us to pre-empt concerns and efficiently manage our response.

We use insights from our participation in initiatives like the Chemical Footprint Project (CFP) to help us embed this approach. It enables us to score and benchmark our approach across four areas: chemicals management; inventory; footprint measurement; and disclosure and verification. Through this, we track our progress on managing chemicals, choosing safer alternatives and using and reducing ingredients of concern. Published scores report on prior year performance; so, for example, scores published in 2022 measure our 2021 footprint. Our score improved from 81% in 2020 to 87% in 2021. This score makes us a CFP Frontrunner for the second year in a row. The survey measuring our 2022 footprint won't be published until late 2023.

"OUR INGREDIENT STEERING GROUP GOVERNS HOW WE ADOPT SAFE AND EFFECTIVE ALTERNATIVES IN NEW OR REFORMULATED PRODUCTS."

Since 2021, our eco-design tool, the Sustainable Innovation Calculator, has incorporated key aspects of green chemistry to help us choose more sustainable ingredients. The four ingredient-related criteria in the calculator include the chemical footprint metric. We don't allow our formulators to select raw materials that intentionally contain a CoHC, and the calculator marks down the presence of a CoHC as an impurity (<0.1%) where it exceeds levels in the existing product that the new product is replacing.

For more about the Sustainable Innovation Calculator, see the [Sustainable Product Innovation Insight](#)

Safe and effective alternative substances

We're also strengthening our approach to ingredients to make sure we use ones most resilient to emerging concerns. This means finding purer, simpler ingredients wherever we can, while making sure products keep the efficacy that makes them reliable. To do this, we continue to update our tools to help teams choose safe and effective alternative substances. This involves evaluating the materials we use and working with stakeholders like the Green Chemistry & Commerce Council (GC3), who help us put emerging principles on sustainable chemistry into action.



AIR WICK ACTIVE FRESH: PIONEERING 'FREE-FROM' AUTOSPRAY

Air Wick wanted a natural and environmentally friendly way to neutralise household smells with great fragrances.

The R&D team worked to optimise fragrance, formula, refill and device hardware to give the performance consumers expect with more natural ingredients and a lower environmental impact. The new product was preferred by three out of four existing users and provided a refill with a lower carbon footprint than a traditional aerosol refill.³

The new Air Wick Active Fresh, launched in European markets in January 2023, delivers fresh scents, infused with natural essential oils, that effectively tackle unpleasant smells, from a 95% naturally derived, water-based and propellant-free formulation. This represents a first in this product segment.

3. As measured by Reckitt's internal Sustainable Innovation Calculator – see our [Sustainable Product Innovation Insight](#) for further detail



PRODUCT STEWARDSHIP — INGREDIENTS AND TRANSPARENCY CONTINUED



Launching products with smaller chemical footprints

In Australia, we launched our Aerogard Naturals fabric insect repellent, which is propellant-free and uses 100% plant-based active ingredients. This improved its chemical footprint score by 25%, while still offering similar protection and the same consumer benefit (flying insect protection with no skin application) when compared to the benchmark product.

We began introducing lilial-free versions of our products in early 2021, with no negative impact on fragrance, and we are continuing to remove the ingredient from all products worldwide. This goes above and beyond the EU's ban on selling products containing lilial, which came into force in March 2022. Our target remains to remove it from products in other markets by the end of 2023.

Other examples include:

- Our Durex Play Pleasure Gel range uses a water-based lubricant, which reduces the amount of chemicals in our product and improves the chemical footprint score
- In line with Koletzko Guidelines, which cover the nutritional care of preterm infants, Enfa reformulated its Premature Powder resulting in a lower water impact

Improving nutrition

Product stewardship also includes our role in nutrition. Improving nutrition is an important platform for improving public health, education and employment, and reducing socio-economic inequalities. To date, the private sector's involvement in this has been limited, along with its ability to engage on the broader nutrition agenda. But, as public resources are stretched we can play an important role, using the latest medical research and our expertise in nutritional science and R&D.

In October 2020, we published our first nutritional commitment on our infant and child nutrition portfolio. By March 2024, we'll stop using sucrose or fructose as a carbohydrate source in infant, follow-on and young child formulas. Lactose will be the only source of carbohydrates in infant formula from birth to six months, and the preferred source from six to 36 months.

In 2022, we experienced some significant industry-wide and global challenges. A major infant formula and child nutrition manufacturer had a temporary factory closure in the US. This resulted in a significant portion of US supply being unavailable, and a nationwide shortage soon spiraled into a full-blown crisis. This meant we needed to invest and unlock additional resources and capabilities to supply even more vital infant formula than normal to families that depended on it. In addition, the war in Ukraine has also resulted in some shortages of raw materials and pressures on the supply chain. Nevertheless, as of December 2022, 92% of our routine infant, follow-on and young child formulations — collectively our birth to 36 months of age portfolio — are fully in line with our nutritional commitment and we are confident of meeting our target of 100% by March 2024.

PRODUCT STEWARDSHIP — INGREDIENTS AND TRANSPARENCY CONTINUED

Consumer information

We're committed to helping consumers make informed decisions about our products. This goes beyond legislative requirements, including helping consumers to understand the benefits of our products, the ingredients we use and why we use them.

We do this with clear labelling on packs and online information. In 2022, 90% of our net revenue came from products where we disclose ingredient information on the pack or online. The other 10% is primarily net revenue from hygiene products we sell outside Europe and the US, where regulatory requirements are often still evolving, as is our labelling policy.

Improving online information for consumers

We use websites to give consumers detailed information about our products, expanding on what is provided on labels. We've continued to improve our US ingredients website by adding more technical details, including on fragrances, and by making it easier for consumers to search for information. While our European website already gives similar information, we plan to extend this to other markets and our brand websites.

Our Consumer Relations teams around the world track details of consumer experience in our Global database. To keep satisfaction high, we carry out brand perception analysis and log complaints and enquiries to our consumer helpline. Currently, we get 24.2 complaints for every million units we sell. This measure is one of the tools we use to assess our performance around complaints.

Our partnerships, initiatives and collaborations

Partnerships with our suppliers, customers, academia and civil society support our approach to product stewardship.

Green Chemistry & Commerce Council (GC3)

We're part of the GC3's Sustainable Chemistry Alliance, which promotes policies to accelerate the development of sustainable chemistry processes and products. Public policy can trigger innovation that leads to safe and effective alternative ingredients. The GC3 Sustainable Chemistry Alliance has backed the US Sustainable Chemistry Research & Development Act, passed in January 2021, which supports commercialisation, training and education on chemistry research. We're working with the GC3 Sustainable Chemistry Alliance to support its implementation. For more information, see greenchemistryandcommerce.org

European Chemical Industry Council (CEFIC)

We participate in CEFIC's Long-Range Research Initiative projects. These help direct the industry's research into the potential impacts of chemicals on human health and the environment. For more information, see cefic-iri.org

International Association for Soaps, Detergents and Maintenance Products (AISE)

Heather Barker, our Global Head Regulatory Hygiene, Group eRB & New Growth Platforms is Vice President of the AISE board. In 2021, Heather was chosen to represent AISE on behalf of the European detergent and biocide association at the European Commission high-level round table on the chemical strategy for sustainability. The group will support the EU executive in realising the objectives of the strategy, which include innovating for safe and sustainable chemicals and safe and sustainable by design concepts. Its primary role, led by the European Commission's Environment department, will be establishing communication and information exchange between the Commission and stakeholders to make sure the strategy is implemented effectively. Heather has made significant contributions to its first two sets of adopted recommendations, on Enforcement and Compliance and on Strategic Research and Innovation/Safe and Sustainable by Design.

Academic partnerships

We continue to support the EU-funded ECORISK 2050 project, which aims to better understand the future environmental risks of chemicals. For more information, see ecorisk2050.eu

We are also supporting the UK Natural Environment Research Council's new Centre for Doctoral Training — ECORISC — which specialises in managing chemical risks in the environment. From 2021–2027, this multidisciplinary initiative will train 39 PhD students as the next generation of environmental scientists and managers. For more information, see ukri.org/news/funding-boost-for-the-next-generation-of-environmental-scientists

We also co-sponsor research at the University of York in the UK on the environmental fate, exposure and risk of polymers, as part of the UK's Natural Environment Research Council's 'Adapting to the Challenges of a Changing Environment' Doctoral Training Partnership. For more information, see accedtp.ac.uk

Looking ahead

In 2023, we plan on continuing and refining our existing workstreams, focusing on reducing our chemical footprint. To support this, we will also make sure the evolving best practice on chemicals management is integrated into our Sustainable Innovation Calculator and will continue to develop partnerships to drive industry collaboration. In addition, we will work on refining and improving our chemical footprint data.



SUSTAINABLE PRODUCT INNOVATION

Innovation is at the heart of what we do. By increasingly embedding sustainability into the innovation process, we can meet consumers' needs, reduce potential risks, have a positive impact and strengthen our business.

SUSTAINABLE PRODUCT INNOVATION CONTINUED

2022 PERFORMANCE		
Our ambitions	2022 progress	2021
50% of net revenue from more sustainable products by 2030*	24.4% ⁺¹	24.9% ¹
<div><div>* See page 33 for year-on-year performance of our net revenue from more sustainable products</div><div>⁺ Assured by ERM CVS as part of its limited assurance scope. For details, see our Sustainability Governance, Reporting and Assurance Insight</div><div>1. 2022 and 2021 total net revenue from more sustainable products, excluding our Infant Formula and Child Nutrition business, was 28.9% and 29.3% respectively</div></div>		

Innovation is how we develop our brands and make sure we continue to meet our customers' needs with products that are market-leading. Whether through improved formulation that makes products work better or cost less, or better design that makes them more appealing and more sustainable, we aim to continually innovate.

Sustainability is a critical aspect of innovation. By making our products more sustainable, we can reduce their environmental impact while making them as effective, safe, compliant and high-quality as ever. Sustainable innovation can make our products more resilient by finding alternatives to chemicals that could be regulated, or by reducing impacts, like carbon emissions, that may incur higher costs in the future. It also presents growth opportunities, allowing us to gain market share or even create new classes of product.

Sustainable innovation includes R&D specialists applying green chemistry principles (see our [Product Stewardship Insight](#)) to find more natural ingredients or developing lighter plastics. We've mobilised our expertise into nine 'science platforms' that conduct research in interconnected disciplines, from polymers to entomology. This provides data and insights we can harness across our brands and categories. Our designers are critical to this, as their decisions dictate how sustainable a product is at every stage of the value chain.

➤ For more on our approach to R&D, see our [2022 Annual Report](#)

Making better-informed decisions with our Sustainable Innovation Calculator




Our ambition is that all new innovation and product development improves the environmental impact of the product it replaces. Our Sustainable Innovation Calculator (SIC) helps us make these crucial decisions. It shows the effect of the choices we make on the sustainability of a product, whether we're improving an existing product or developing something completely new.

The calculator is a streamlined lifecycle assessment tool. It examines the water and carbon impact of products, considering their ingredients, the materials used in devices, and the packaging.

Importantly, it also includes the impact from consumers using the product. To be classed as more sustainable, the overall score of a product must be at least 10 points higher than the benchmark. This threshold helps ensure a material improvement is achieved that exceeds the margins of error in each product calculation.

Measuring the impact of each change before the product launches means our product developers can adjust the product design to be more sustainable. To support our product developers in this process, we're working with a network of sustainability champions in our R&D and packaging teams.

To be considered 'more sustainable', our product innovations must score as follows:

DIAL SCORE	CARBON (g CO ₂ e/dose)	WATER (Effective water L/dose)	PLASTICS (Reduction/%PCR/ Recyclability)	PACKAGING (Reduction/%PCR/ Recyclability)	INGREDIENTS (Based on four Green Chemistry KPIs)	OVERALL SCORE (An aggregate score of all five dials)
	≥ 10 points (≥ 10% reduction)			≥ 10 points		MORE SUSTAINABLE ≥ 10 points
	≥ -1.5 points to < 10 points (between 1.5% increase and 10% reduction)			> -10 points to < 10 points		AS SUSTAINABLE > -10 points to < 10 points
	≤ -1.5 points (≥ 1.5% increase)			≤ -10 points		LESS SUSTAINABLE ≤ -10 points

SIC scores referenced in this document are correct as of 2022. SIC scores are subject to change, based on system improvements and updates. For example, emissions factors were updated during 2022 to reflect the latest data on carbon and water.

SUSTAINABLE PRODUCT INNOVATION CONTINUED

How we measure progress

Our Finance and Sustainability teams work together to track our net revenue from more sustainable products. This helps us create the business case for sustainability and track progress towards our targets.

Our Sustainable Innovation Calculator helps us track whether a product is more sustainable than the product it will replace, and so whether its revenue counts towards our 2030 target of 50% revenue from more sustainable products. This target, which is linked to our executives' remuneration, ties our sustainability goals to the growth of the business.

Innovation can often come with drawbacks as well as benefits. This means we have to carefully weigh our decisions. For example, a natural ingredient can require more water to produce than the synthetic equivalent it's replacing. Plastic packaging can have a lower carbon footprint than a glass alternative. The Sustainable Innovation Calculator gives us quantitative measures to guide us through this thought process.

We continually update and improve the data behind the calculator to give our innovation teams better insight for better-informed decisions, and have been reporting on our net revenue from more sustainable products since 2013. We last revised the metrics and methods behind the calculator in 2021, introducing extra metrics for the ingredients we use, aligned with green chemistry principles and reflecting our commitment to reduce our chemical footprint.

➤ For more information, see our [Product Stewardship Insight](#)

As a result, the ingredient dial now encourages us to do more than simply avoiding ingredients on our Restricted Substances List. Instead, it gives higher scores for using ingredients from circular feedstocks, which biodegrade better and which have a lower chemical footprint, such as the citric acid sourced from corn in Dettol's alcohol-free hand sanitiser. This helps to future proof our products, meet changing consumer expectations and anticipate regulatory developments.

Communicating the role of the Sustainable Innovation Calculator

We want to make sustainable product development second nature for all our employees. As part of our wider communication on our Sustainability Ambitions, we've trained people across functions to make sure they know the role of the Sustainable Innovation Calculator. We've also produced internal resources about the Sustainable Innovation Calculator with in-depth information on how it works, as well as guidance on how to apply it to specific product categories — for example, air fresheners versus condoms versus infant formula. This communication is helping our people across the business become more engaged with sustainability and raise awareness to the steps we are taking to improve the environmental footprint of our products.



NET REVENUE FROM MORE SUSTAINABLE PRODUCTS

	More sustainable net revenue (m)	More sustainable net revenue (%)
2018 ¹	£1,868	18.5
2019 ¹	£2,397	24.6
2020 ¹	£3,376	30.4
2021 ²	£3,311	24.9
2022 ³	£3,291	24.4 ⁺

1. Figures prior to 2021 exclude our Nutrition business unit

2. 2021 figures include our Infant Formula and Child Nutrition (IFCN) business (excluding IFCN: 29.3%)

3. 2022 figures include IFCN (excluding IFCN: 28.9%⁺)

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

MORE ABOUT SUSTAINABLE INNOVATION

Sustainable innovation touches everything we do. It also plays an important role in making sure our consumers trust our brands, and feel confident that our products are safe to use and minimise their environmental impact. For more on these activities, see these Insights:

- **Product stewardship** – The processes we follow to use safe, environmentally-friendly ingredients in our products, as well as the transparency and labelling that help our consumers make informed decisions when they buy our brands
- **Plastics and packaging** – Our work to use less packaging and more recycled material, and encourage consumers to recycle our products and packs
- **Climate change** – Our efforts to reduce carbon emissions across our value chain and become net zero by 2040
- **Water** – How we reduce the amount of water it takes to produce and use our products

SUSTAINABLE PRODUCT INNOVATION CONTINUED

Key product innovations

We've been working hard to continue our sustainable innovation programmes despite the challenges created by high demand for many of our existing products: extremely high plant utilisation rates have made it difficult to test new products, for example. Sustainable net revenue growth has remained fairly flat over the previous two years, principally driven in 2022 by a shortage of infant formula in the US which made us devote more resources to ensure existing nutrition products were available. Despite this, we have a strong new product pipeline for 2023 and good foundations for future progress.

Our Hygiene business continues to lead the way on sustainable innovation. By improving our use of the Sustainable Innovation Calculator in our Health business and further strengthening its use in our Infant Formula and Child Nutrition business, we've laid the groundwork in 2022 for better performance in 2023.

In 2022, we introduced sustainable innovations to some of our most popular brands with better ingredients, better packaging and more effective dosing. These innovations help reduce the environmental impact of our products.

Below are some examples of our work in green chemistry, where we've introduced products with more sustainable ingredients. Reformulations of our products also help reduce the packaging materials and water we use, significantly cutting the weight of the products, and thereby reducing carbon emissions generated in distribution:

- We reformulated our Durex and KY lubricants to reduce the overall chemical content in the formula and enhance the texture, delivering on both the consumer need and our sustainability ambitions
- We launched the first ever Aerogard Naturals Fabric Spray Insect Repellent powered by 100% plant-based active ingredients, in a convenient trigger spray format in Australia. The product is formulated with a blend of oil of lemon eucalyptus and other essential oils as active constituents, providing protection for up to four hours. Its unique non-staining, skin-free application offers consumers an effective way to protect themselves from flying insects. To reduce the product's carbon footprint, it was launched in a recyclable bottle that uses 50% recycled plastic

- In Asia, we reformulated Enfa Stage 1 A+ Gentlecare to provide new consumer benefits, reducing its water impact by over 14% per dose and improving its ingredients score

Another key way to lower our products' environmental impact is to reduce or change their packaging. This cuts the volume of raw materials for each dose of the product, along with their water and carbon impact:

- In India, we reduced the weights of 500ml and 975ml bottles of Lizol Disinfectant Surface Cleaner by 9% and 7.7% respectively
- In Brazil, we introduced PCR in bottles across numerous Veja product ranges, with 50% PCR in Veja Perfumed, Veja Aroma Sense and Veja Vidrex bottles, as well as 15% PCR in Veja Kitchen and Veja Bathroom bottles
- In Asia, we replaced Enfa flip-top lids with lighter snap-on caps on cans, reducing the plastic weight per dose by over 70%
- In Mexico, we moved Enfagrow Stage 3 Bag in Boxes from metalised cartons to lighter, non-metalised cartons, which can now be recycled
- In the US, we launched a larger pack size of Queen V pHun wipes, increasing the number of wipes in a pack from 20 to 30 and reducing the plastic per dose
- Our new Dettol powder to liquid solution for hand wash in India allows consumers to reuse both the bottle and pump components up to 20 times. And our 75% paper-based pouch for Finish detergent products will save over 2,000 tonnes of plastic per year once rolled out

➤ For more information, see our [Plastics and Packaging Insight](#)

FINISH QUANTUM ALL IN 1

Finish launched Quantum All in 1 thermoformed tabs as a new mid-tier product across Europe. It reduces dose size by more than 30% compared with hard-pressed tablets and injection-moulded capsules, without compromising performance. The lower amount of chemistry per dose leads to significantly lower carbon and water impacts, reduced by 37% and 30% respectively, as measured by our Sustainable Innovation Calculator. The product also comes in our recyclable stand-up pouch.



SUSTAINABLE PRODUCT INNOVATION CONTINUED

Communicating product benefits and use

Our products benefit people's lives, whether it's Nurofen offering pain relief, Dettol and Lysol protecting against germs, or Durex protecting against sexually transmitted infections. To fulfil our Purpose — to protect, heal and nurture in the relentless pursuit of a cleaner and healthier world — we help consumers understand these benefits.

Our products, Mucinex and Strepsils, provide effective treatments for respiratory illnesses like sore throats. We continue to raise awareness among consumers and healthcare professionals about these benefits. For example, we continue to support the Global Respiratory Infection Partnership, which is committed to addressing antimicrobial resistance. It works with healthcare professionals and patients to promote antibiotic stewardship and conservancy by changing how they deal with upper respiratory tract infections.

We also include information on recycling and disposing of products, such as asking consumers not to dispose of wipes by flushing. Because recycling infrastructure varies across the world, this can be a challenge, and we're looking at ways to help develop these systems.

➤ For more detail, see our [Plastics and Packaging Insight](#)

In 2022, Reckitt was a joint winner of the US Environmental Protection Agency (EPA) Partner of the Year award for our work in the Design for the Environment Logo Redesign Coalition. The logo aims to drive demand for antimicrobial products that meet rigorous health, safety and performance criteria. This coalition included partnership from industry, EPA and NGOs. This builds on Reckitt's previous award in 2019, for our championing of the Design for the Environment logo, and in 2017, for our outstanding leadership in advancing safer products.

Looking ahead

We have a target to generate 50% of our net revenue from more sustainable products by 2030. We've been using the Sustainable Innovation Calculator to make informed changes to our products to help deliver this ambition. Since 2021, we've included the products from our Infant Formula and Child Nutrition business in our sustainable innovation process. In 2022, we made the calculator more routinely part of how we develop our smaller brands and assess potential changes to existing products. In 2023, we'll continue to extend the use of our Sustainable Innovation Calculator to help us reach our goals to reduce the carbon and water footprints of our products, and achieve our ambition to be net zero by 2040.

"BY IMPROVING OUR USE OF THE SUSTAINABLE INNOVATION CALCULATOR, WE'VE LAID THE GROUNDWORK IN 2022 FOR FURTHER PROGRESS IN 2023."



STREPSILS HERBAL

Strepsils launched Herbal + Immune Support lozenges across Europe. The lozenges provide consumers with a herbal formulation, packed into an FSC-certified carton made from 100% recycled material, which contributes to a reduction of carbon and water impact by over 17% per dose.





PLASTICS AND PACKAGING

Changing the way we use plastics and packaging to reduce our impact on the environment is a top priority for us. Which is why we're aiming to use less packaging and more responsible materials that contain recycled content, and are recyclable or even reusable.

PLASTICS AND PACKAGING CONTINUED

2022 PERFORMANCE

Our ambitions

	2022	2021	2020 ⁴
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
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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 mono-materials, 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 initiatives, 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%. 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.

1. Source: [wrap.org.uk/taking-action/plastic-packaging/actions/plastic-bags-and-wrapping](https://www.wrap.org.uk/taking-action/plastic-packaging/actions/plastic-bags-and-wrapping)



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.



CLIMATE CHANGE

We are focused on doing our part to combat climate change, from how we source ingredients and reduce the energy we use, to how we design our products and packaging.

CLIMATE CHANGE CONTINUED

2022 PERFORMANCE

Our ambitions	2022 progress	2021 ¹	2020 ¹	2015 baseline ¹
Net zero across our value chain by 2040				
65% absolute reduction in operational (Scope 1 & 2) GHG emissions by 2030 vs 2015	-66% ⁺	-66%	-39%	—
100% renewable electricity by 2030	93% ⁺	92%	61%	—
25% reduction in energy use (per tonne of production) by 2025 vs 2015	-3% ⁺	-8%	-9%	—
50% absolute reduction in product carbon footprint emissions by 2030 vs 2015	+17% ⁺	+21%	—	—
Other GHG metrics				
MANUFACTURING & WAREHOUSING				
Scope 1 GHG emissions (tCO ₂ e)	121,275 ⁺	117,172	124,430	124,867
Scope 2 GHG emissions (location-based) (tCO ₂ e)	237,471 ⁺	232,234	236,471	275,432
Scope 2 GHG emissions (market-based) (tCO ₂ e)	9,448 ⁺	12,857	109,632	259,184
Total Scope 1 & 2 GHG emissions (location-based) (tCO ₂ e)	358,746 ⁺	349,406	360,901	400,299
Total Scope 1 & 2 GHG emissions (market-based) (tCO ₂ e)	130,723 ⁺	130,029	234,062	383,365
Energy use per tonne of production (GJ per tonne of production)	1.51 ⁺	1.44	1.39	1.56
Emissions intensity (market-based) (tCO ₂ e per tonne of production)	0.04 ⁺	0.04	0.07	0.13
PRODUCT CARBON FOOTPRINT				
Total Scope 1, 2 and 3 carbon footprint (without indirect consumer use) (million tCO ₂ e)	13.0 ⁺	13.4	—	11.1
Total Scope 1, 2 and 3 carbon footprint (with indirect consumer use) (million tCO ₂ e)	40.0 ⁺	41.5	—	37.6

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

1. Data restated due to removal of divested sites and data reporting improvements. See our Reporting Criteria for more detail at reckitt.com/our-company/policies-reports

CLIMATE CHANGE CONTINUED

Climate change affects the health of both people and the planet. Through our purpose-led brands, we help protect, heal and nurture people's health. To be able to do that, now and in the future, we are focused on doing our part to combat climate change.

To minimise our impact on the planet, we look to make our own operations and our whole value chain more sustainable. This will help mitigate the risks to our business associated with a changing climate, but also presents opportunities for our business as we adapt to a low carbon economy, as outlined in our net zero roadmap.

We launched our Sustainability Ambitions and our net zero roadmap in 2021, and we've been reducing greenhouse gas (GHG) emissions in our own operations since 2012. We know we need to do more across our value chain, through the design of our products and how people use them.

> You can read more about our performance in the [Sustainable Product Innovation](#), [Water, Waste, Plastics and Packaging](#), and [Biodiversity and Ecosystems Insights](#)

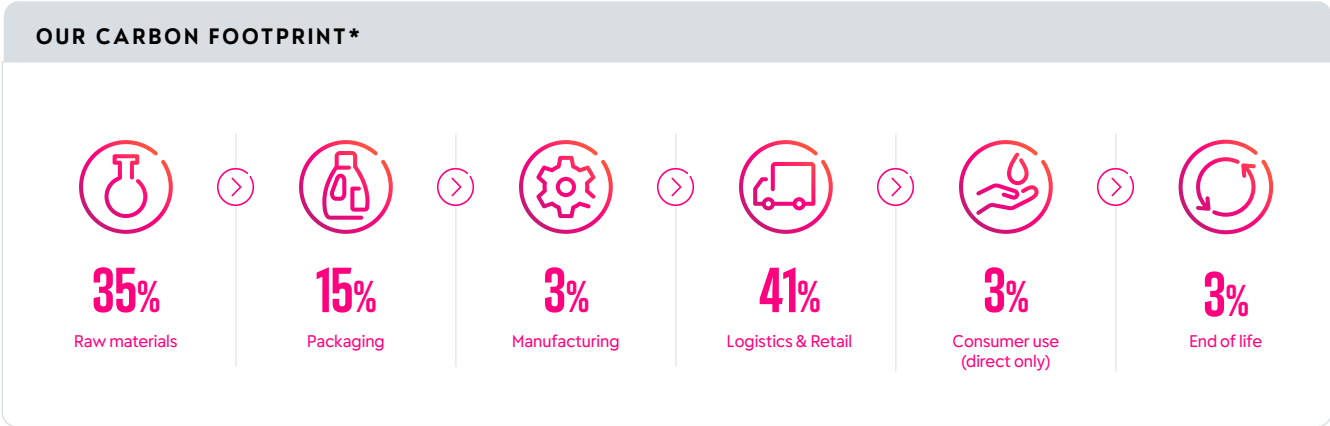
Our carbon footprint

Emissions associated with our own operations only make up 3% of our wider carbon footprint, with Scope 3 emissions accounting for 97% of our overall emissions.

Dealing with these emissions is highly complex, given that they're mostly outside our direct control. However, to tackle climate change we need urgent action. That's why we are committed to influencing others in our value chain and working collectively with partners to drive down emissions.

Our value chain comprises interdependent parts that cover the sequence from us sourcing raw materials and manufacturing products, to consumers using and disposing of them. Cutting carbon emissions in one part of the chain might increase them in another. For example, we could manufacture a product in a more concentrated form that reduces packaging, and so lowers carbon emissions from transport. But consumers may then have to use and heat more water to use the product, so losing some or all of the environmental gain. We use our Sustainable Innovation Calculator to think through these issues when we design new products or modify existing ones.

> For more about this, see our [Sustainable Product Innovation Insight](#)



* Figures do not equal 100 due to rounding

SAVING ENERGY THROUGH CONTINUOUS IMPROVEMENT AND PERFORMANCE MANAGEMENT

Optimising equipment is often the first port of call when looking to reduce energy use and associated emissions. It also helps cut costs. At our Tuas plant in Singapore, we've optimised our dryers, creating production efficiencies as well as cutting energy and cost. Through detailed performance data analysis, the team identified the top preferred formulations to increase dryer output. By optimising the inlet and exhaust temperature, the team achieved 700MWh and £144,000 in energy and cost savings.

As with many manufacturing businesses, compressed air is used for our manufacturing processes, accounting for around 10–30% of energy use. Though our minimum standards, sites undertake ongoing compressed air leak detection and repair programmes.

In 2022, we rolled out programmes to assess air lines to identify leaks that waste energy, and 34 of our sites have proactively undertaken compressed air efficiency surveys, repairing leaks and optimising systems. One example is our Makiti City, Philippines site, where we repaired the leaks to reduce the site's energy consumption.

We've also reduced emissions by:

- Running a heat and cooling loss survey at Hull, UK, which found 21 reduction opportunities and led to an implementation plan for the site to action
- Spotting steam efficiencies from existing equipment at our Nottingham, UK, site and replacing steam traps, with a 1.5 GWh annual energy saving
- Piloting two electric trucks to replace diesel-powered vehicles at our site in Saint Peters in the US

CLIMATE CHANGE CONTINUED

Our operations

In the current context of the energy crisis, geopolitical conflict and its impact on energy security, our approach to energy management has never been more important. Alongside environmental considerations, it is core to other business aspects, such as cost and security of supply.

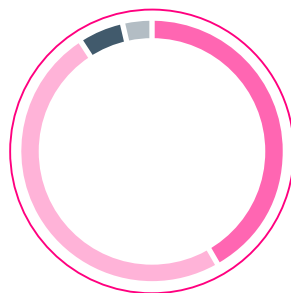
Our carbon reduction strategy for manufacturing comprises five pillars: pursuing zero carbon technologies; optimising existing technologies to drive energy efficiencies; performance management through continuous improvement; digitalisation; and securing alternative energy sources. We use different types of fuel and energy, such as electricity and gas. Depending on how the energy is generated, it can come from fossil fuels or renewable sources. We increasingly use renewable electricity and almost all of our electricity used today is from renewable sources, like solar. In line with our ambition to decarbonise our operations, we continue to look for ways to improve our energy efficiency and how we use and reuse energy in our facilities.

Progress against our targets

We continued to meet our Science-based Target Initiative (SBTi) validated target to reduce emissions from our manufacturing and warehousing operations, cutting them by 66% compared with 2015. Year-on-year Scope 1 and 2 emissions remained relatively stable due to a higher use of natural gas, resulting from increased infant formula production in the US market. This offset some of the emissions savings associated with our energy efficiency improvements.

Other emission reduction activities included focusing on how we can replace gas with alternative green and lower emission fuels. We've continued work at our sites in Hull, in the UK and Nowy Dwor in Poland, to assess energy sources like biogas, hydrogen and ground source heat pumps. This has involved looking at costs and feasibility, including implementation, how ready the technologies are, as well as their risks. For example, our activity to replace gas with alternative lower emission energy sources and fuels has led to a plan that includes removing old boilers, reassessing combined heat and power (CHP) and piloting heat pumps.

ENERGY USE IN OPERATIONS 2022*



- **Electricity (Non-renewable) (Purchased grid electricity)** 0 GJ
- **Electricity (Renewable) (Onsite renewable electricity, PPAs, Green Tariffs & RECs)** 1,922,291 GJ
- **Fuel (Non-renewable) (Light, medium fuel and heavy fuel oil, coal energy, natural gas and LPG/Propane/butane energy)** 2,262,535 GJ
- **Fuel/heat (Renewable)** 255,273 GJ
- **Other indirect purchased energy (e.g. heat, steam or other non-renewable purchased energy)** 164,772 GJ

Energy exported to the grid or sold to a third party 1,758 GJ

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

Energy and decarbonisation

Driving energy efficiency in parallel with switching to renewable energy is fundamental to our strategy. In 2022, 93% of our electricity overall was from renewable sources, largely in the form of renewable electricity. This puts us on track to achieve our RE100 commitment ahead of schedule and has been achieved through on-site solar, local Power Purchase Agreements (PPAs) and renewable partnerships, supplier 'green tariffs' and Renewable Energy Certificates (REC's). All of our purchased electricity around the world for our manufacturing sites was renewable.

We continue to focus on energy efficiency projects at our sites and have reduced our energy use per tonne of production by 3% against our 2015 baseline.

By further investing in new more efficient equipment, and piloting new digital intelligence systems that help us automate energy optimisation, we're reducing energy use even further.



GENERATING MORE OF OUR OWN RENEWABLE ENERGY

We continued to generate more of our own energy in 2022, and 13 of our sites now have solar photovoltaic (PV) panels installed.

Our Barcelona distribution centre installed a solar roof, which has economic as well as environmental benefits as it will cover 40% of the site's electricity needs, saving up to €40,000 a year.

In September, we also completed construction of a 5,500m² solar roof at our site in Anhui, China.



CLIMATE CHANGE CONTINUED

Our product carbon footprint

Developed and updated in 2021, our product carbon footprint includes emissions across the whole value chain (Scopes 1, 2 and 3). Beyond our own emissions, we're increasingly considering emissions related to the materials we buy (upstream) and to logistics, retail and consumers' use of our products (downstream). We're also working to increase the share of our revenue that comes from more sustainable products.

In setting out our product carbon footprint, we've reflected the following levels of control:

- **Direct consumer use:** where we sell the appliance — an Air Wick plug-in, for example — we include the energy it uses in our total global consumer emissions
- **Indirect consumer use:** if we look at a Finish dishwasher tablet, the carbon footprint is made up of the energy we use to produce and distribute the tablets, including all the materials, and also the electricity consumers need to run their dishwashers. The carbon footprint of that electricity, in appliances such as dishwashers or other energy, such as gas for heating water, is not included in our global consumer emissions

This approach is in line with the GHG Protocol and helps us focus on the things within our control.

While much of this domestic energy, with its indirect-use carbon emissions, isn't specifically included in our target to reduce our product carbon footprint, we still want to reduce these emissions as much as we can. This is why we're designing our products so that they need less energy and/or water to use, for example by encouraging people to use their washing machines at lower temperatures with effective products such as Vanish. This means less energy is needed to power appliances at home, helping people use less energy or water, lowering their carbon footprint as well as helping them save money.

The close connection between climate change and water stress is also important. Some of our biggest and fastest-growing markets, like the Middle East and India, are in water-stressed areas. We must adapt our products to reflect this, even though it creates extra complexity. The impact of climate change can mean people in these water-stressed regions also find it hard to access hygiene and health services, making our products all the more important. We look at the context of each market, and make sure that, in working to cut emissions, we still create the right outcomes for people and the planet. We discuss this in more detail in our Task Force on Climate-related Financial Disclosures (TCFD) statement here, and in our [Water Insight](#).

Progress against our targets

The carbon footprint of our products increased by 17% in 2022 against 2015, due to an increase in production volumes. The business is now significantly bigger than it was in 2015 and we have not yet fully decoupled growth from carbon emissions. We will continue with our decarbonisation programme, while also strengthening our scope 3 modelling and data.

Our Sustainable Innovation Calculator considers our products' carbon footprint and wider Scope 3 emissions as one of five key performance indicators (KPIs) that are assessed for all projects.

➤ For more about the Sustainable Innovation Calculator, see our [Sustainable Product Innovation Insight](#)

As our understanding of our carbon footprint grows, we update our modelling. For instance, we've remodelled our Scope 3 retail impacts to include consumers' journeys to shops, the growth of e-commerce, and changes in both recycling infrastructure and how people dispose of products and packs, all of which affect emissions.

We've also looked more closely at product design and have started to work with suppliers to reduce our products' impact up and down the value chain. But we have to make sure our products still deliver their health and hygiene benefits. Our [Product Stewardship Insight](#) has more on how we make our ingredients more sustainable and contribute to a circular economy. Our science-based targets help guide this work.

GREENHOUSE GAS EMISSIONS ACROSS THE VALUE CHAIN (SCOPES 1-3)

	Total carbon footprint (million tonnes CO ₂ e)		
	2022	2021*	2015* baseline
Raw materials	4.6	4.4	3.6
Packaging	2.0	2.3	1.8
Manufacturing	0.4	0.4	0.6
Logistics and retail	5.3	5.3	4.2
Direct consumer use	0.4	0.4	0.6
End of life	0.4	0.5	0.4
Total in scope	13.0	13.4	11.1
Indirect consumer use i.e. in appliances that use our products (out of scope)	27.0	28.1	26.5

*Restated due to changes in Scope 3 methodology and business footprint. See our [Reporting Criteria](#) for more detail.

2022 SCOPE 3 CATEGORIES

GHG emissions (tco2e)	
Purchased goods and services	6,040,000
Downstream transportation and distribution	4,211,000
Use of sold products (direct only)	400,000
End-of-life treatment of sold products	433,000
Downstream leased assets	28,000
Waste generated in operations	26,000
Upstream transportation and distribution	1,814,000
Business travel	123,000
Total	13,075,000

CLIMATE CHANGE CONTINUED

Value chain partnerships

We're partnering to drive innovation and more sustainable outcomes in our value chain. For example, we're looking at ways to reduce our distribution emissions. This includes working with Great Bear Distribution and BP to trial hydrogenated vegetable oil (HVO) fuel in our UK distribution services, and assess the potential benefits and implications. Highly volatile fuel prices meant it wasn't practical to proceed in 2022, but we'll continue to review the position. We recognise that not all innovations and solutions are right for us at a particular point in time, but we will integrate learnings into our net zero roadmap as we continue to investigate possible solutions.

Other emissions

We don't report on ozone-depleting substances, as we're not a significant user. Also, while we do emit low quantities of common industrial air emissions like sulphur and nitrous oxides (SOx and NOx), and particulates (dust). These emissions are below regulatory limits, and are not considered material.

Modelling our climate risks and opportunities

As well as our climate mitigation activities, we're building capacity in understanding climate risk, opportunities and adaptation. In 2022, we continued our partnership with the consultancy Resilience. Their Climate and Enterprise analytics technology, founded on the influential frameworks pioneered by the Cambridge Centre for Risk Studies, informs our risk management and strategic decision-making around climate change.

Our work with Resilience has profiled the relative medium-term impacts of physical climate change risks on our business and those associated with the transition to a low carbon economy. This has highlighted bigger potential impacts from transitional changes, and the need to focus on mitigating them across the value chain.

➤ For more about this, and our climate adaptation activities, see the [TCFD statement](#) at the end of this insight



DRIVING LEADERSHIP AND COLLABORATION TOWARDS NET ZERO IN HULL AND THE HUMBER

The Humber region, which is home to the UK's highest emitting industrial cluster*, is responsible for 37% of CO₂ emissions. This means that the region has a big opportunity to drive positive change. We must achieve net zero in Hull and the Humber, in order to reach net zero in the UK. Therefore, along with Hull City Council, the University of Hull and Marketing Humber, we saw the opportunities and need for leadership and collaboration across the region. In March 2022, we launched the Oh Yes! Net Zero initiative, which is a unique opportunity for everyone in the Hull city region to create an innovative 'Living Lab' approach to securing a low carbon economy.

Oh Yes! Net Zero is a positive, action-led campaign for all to be a part of, from micro-businesses to multinationals, the public sector and households. Every small change made will help Hull lead the way to drive down carbon emissions and move towards a net zero future.

With support from partners including NatWest, Lloyds Bank, EY and the CBI, the Oh Yes! Net Zero campaign helps to connect organisations to resources and support on their net zero journey.

The diversity of organisations signed up shows a range of knowledge and experience, ensuring that the members are able to learn from, and collaborate with, other members on their transition to net zero. To date, over 130 organisations, collectively employing more than 45,000 people, have signed up to the campaign.

Collaboration has been key to driving awareness and action. Members have joined working groups focused on different areas related to net zero, such as energy and power, and enabling a Just Transition for all.

Also, on behalf of Oh Yes! Net Zero, Reckitt has funded the 'Protect Our Future' programme with Hull City Council to empower students from local secondary schools to take positive action against climate change. The programme includes all of Hull's 13 secondary schools.

We're running a competition for the schools to create a video showing what they are doing to support net zero, for example, initiatives in their school, in their homes and in their local community. We ran a workshop for students in January on how to create their video and communicate around climate change. In feedback collected at the event, of the 65 students who attended:

- 74% are now more confident talking about climate change
- 93% are now more enthused to suggest changes their school could make to help to protect and repair our planet
- 81% are now more likely to encourage friends and family to take action

*Source: World Economic Forum, Energy Transition, 2021

CLIMATE CHANGE CONTINUED

Driving global awareness of the connection between climate and health

At the COP27 climate change conference, we launched our **Planetary Health is Human Health Report: 2022 edition**, showing the connection between the health of the planet and the health of people. It explores how people perceive the health impacts of climate change, what action they're taking and what measures they want to see from businesses and government. The research shows most people (79%) agree that climate change and people's health are connected.

➤ For more information, see our [Self-care Insight](#).

We've been working to build awareness of the impact of climate change on people's health. This included speaking and chairing events at COP27. We're also collaborating with Forum for the Future and leading healthcare businesses Bupa, Haleon and Walgreens Boots Alliance in the Climate and Health Coalition. This aims to mobilise and equip the private sector to speed up the transformation of health and climate systems for outcomes that will benefit both people and the planet.

Together, we want to develop more detailed guidance to deliver integrated climate and health strategies. This includes:

- Creating recommendations for government, investors and philanthropists to support private sector action
- Fostering alignment and connection between existing private sector initiatives
- Identifying gaps in research and understanding and producing more evidence of the links between climate change and health



Understanding the interconnections between climate change and biodiversity

Our work with Nature-based Insetting at the University of Oxford is helping us to develop the foundations for nature-based solutions. Using the analytical framework, we're exploring the potential positive impacts, including to climate, from different nature-based solutions that protect and strengthen ecosystems.

➤ For more information, see our [Biodiversity and Ecosystems Insight](#).

Working with our suppliers

In 2022, we continued to work with our contract manufacturers through our Supplier Environmental Performance programme, in partnership with Manufacture 2030 and 230 suppliers. This is part of our strategy to help suppliers move from compliance to being more proactive in reducing their environmental footprint and significantly improving in areas like energy efficiency. These improvements often come through our site visits, but also through online support from Manufacture 2030, including a climate action programme to engage suppliers, building their awareness and sharing best practice and guidance. We intend to include more raw material, packaging and chemical suppliers in this work going forwards.

Looking ahead

We remain committed to delivering our science-based targets and working towards becoming net zero by 2040. While we haven't made as much progress on energy efficiency as we wanted during 2022, driven by supply chain challenges and a focus on strengthening our approach to product quality, we have plans in place to make progress in 2023.

We will focus on the most energy-intensive processes in our factories, which we're optimising to be more energy efficient. We're also looking at the type of energy we use in our operations and the form it takes. This means using more renewable electricity where it might replace gas, while also considering alternatives to gas such as biomass, landfill gas or heat pump technology where we need thermal energy. We already use landfill gas in the spray dryers at our Evansville infant formula factory. We're trying to use this renewable fuel option more while also starting to explore other alternatives for high thermal energy. In the longer term, hydrogen may prove to be viable at scale, and we're continuing to monitor its development.




Beyond reducing emissions from our direct operations, we will continue to push for climate action across our value chain to achieve net zero emissions by 2040. We also want to help fight the impacts of climate change on people's health, by protecting and improving health and hygiene around the world. This is behind our efforts to improve access to water in water-stressed areas and make them water positive by 2030.

CLIMATE CHANGE CONTINUED




NET ZERO ROADMAP

ACCELERATING ACTION

2020




-  **25% energy efficiency (by '25)** – prioritising high energy processes
- 100% renewable electricity (by '30)**
- On site energy generation**
- Evaluate renewable thermal energy** – ground/air source, biomass/biogas options
- Green logistics** – UK, EU and US trials, HVO, EV and Hydrogen evaluation, Company vehicle fleet development
- Carbon pricing** mechanism development
- Water efficiency**
-  **Increase circularity of packaging** – recyclability, PCR; Strategic packaging supplier development; consumer recycling communications
- Build reduction plans for **high carbon raw materials** and plastics
- Green chemistry** within innovation and science platforms
- Product innovation for lower carbon** including consumer use
- Product water footprint** reduction
-  **Measure and reduce carbon in key suppliers' operations**
- Supplier water efficiency** development
- Carbon capture ingredients** evaluation
- Ecosystem and biodiversity** metrics development; ecosystem protection in landscape programmes and with suppliers
- Regenerative agriculture** programme development

2025

-  **Ongoing energy efficiency**
- RE for non-manufacturing**
- Extend on site generation and storage**
- Progressive CHP replacement, Biomass/biogas** in priority locations, Evaluate electrification of spray drying
- Developed market scale up on alternative fuels/EVs; Business travel offsetting** development
- Carbon pricing** for prioritisation of investments; Carbon evaluation in M&A activity
- Water catchment area management**
-  **100% recyclable packaging, 25% PCR minimum, progressive virgin plastic reduction** with concentrates and refills; increased **consumer recycling** initiatives
- Decarbonise raw material production; Develop water-use switch alternatives**
- Green chemistry scale-up, Progressive transition** from fossil-derived feedstocks
- Product-composition for low-carbon, Product-use and end-of-life** for low carbon
- In-use water footprint** reduction
-  **Supplier operations carbon reduction** scale up; prioritise low-carbon raw materials
- Supplier water management** programmes
- Carbon capture ingredients** development
- Nature-based-insetting** development in key value chains
- Regenerative agriculture** development in key value chains (dairy, latex, fragrance); Brand ecosystem activity development



SCALING UP

2030



-  **H2 cell generation**
- Progressive CHP replacement, Further biomass/biogas, H2 for thermal energy, Spray drying fuels alternative**
- Developing market green logistics trials**
- Positive water catchment** in water stressed areas
-  **50% virgin plastic reduction** with progressive plastic replacement; product concentration to reduce packaging & impact from logistics
- Decarbonise high carbon raw material production** scale up with suppliers
- Adoption of renewable feedstocks** at scale
- Product-composition for low-carbon scale up; product-use and end-of-life** scale up for low carbon
-  **Low-carbon supplier prioritisation; prioritise net-zero raw materials**
- Supplier catchment management** development
- Carbon capture ingredients** scale up

DELIVERING NET ZERO

2035

-  **Progressive gas replacement**
- Developing market green logistics scale up**
-  **Net zero carbon supplier prioritisation**
- Nature-based insetting scale up**

2040

-  **Offsetting beyond abatement**
-  **50% water footprint reduction**

NET ZERO
BY 2040

-  In Operations
-  In Product
-  In Supply Chains

TCFD STATEMENT

Climate change and our business

The Intergovernmental Panel on Climate Change (IPCC)'s Sixth Assessment report on Climate Change states that global emissions must fall by 43% by 2030 and reach net zero by 2050 to avoid catastrophic tipping points — these are irreversible changes which will have severe impacts on our planet and society. Many different actors, including governments, policy makers and civil society, are looking to businesses to demonstrate that, as well as managing our impacts on the environment, we understand the risks and opportunities that are associated with climate change, and that we are ultimately building resilience into strategic decision-making.

At Reckitt, we recognise the importance of climate change in our relentless pursuit of a cleaner and healthier world. From the perspective of our business and our consumers all over the world, we also recognise the increasingly clear and adverse impact that climate change is having and will have on people's health and wellbeing. Whether through new vectors of disease, poorer hygiene through water stress and increased bacterial loads, increased ambient temperatures or different acute weather patterns, to name but a few, these impacts pose both risks and opportunities within our value chain.

We assess risks and opportunities within our day-to-day business operations, structure and governance activities, based on the recommendations of the TCFD. Mechanisms such as the Transition Plan Taskforce draft framework published by the UK government are helping to further guide our actions. This helps us to embed our climate change response within core business activity, and mitigates risk and builds opportunity within our brands and value chain. For example, we have adopted our Sustainable Innovation Calculator for new and existing product development, measuring the climate and water impact of any innovations. Transparent reporting also helps embed our activity while demonstrating our approach, progress and performance.

We have conducted scenario analysis to consider the longer-term impacts of climate change on our business, 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. In partnership with Resilience, we have developed a digital twin of our business, and used this to build and test scenarios for low carbon transition and physical risks across our value chain. The Resilience analysis produces a five-year, quantitative earnings value at risk estimation across physical and transition risks, consistent with the emissions pathways and scenarios specified by the IPCC. The Resilience analysis provides a long-term qualitative risk outlook, across physical and transition risks, up to 20 years.

COMPLIANCE STATEMENT

In line with the Financial Conduct Authority (FCA) Listing Rule (LR 9.8.6R(8)), we confirm that this statement includes material climate-related financial disclosures, consistent with the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD).

For strategy disclosures (a) and (b), further work is underway to enhance the identification, impact and reporting of climate-related risks and opportunities across our entire business, and how these map over the short, medium and long term. Our analysis will continue in 2023 and beyond, assessing key risks in greater detail including the relative impacts across raw materials, facilities and potential changes in consumer use. We will also assess the impact of our sustainability and climate strategy to provide insights into the efficacy and contribution of various climate mitigation initiatives. This will help us to focus activity where we can create greatest impact and to capitalise on potential opportunities associated with a low carbon transition that support our business resilience and growth in a future low carbon economy. We are working towards full compliance in the following areas and will report further progress in our next TCFD Statement:

- Assessment by geography and sector: our current analysis is presented for our whole business however it often considers specific geographies for supply chain risks and sectors for market-level risks and opportunities (TCFD Strategy (a))
- Assessment of climate-related issues in terms of consumer response to products, both in terms of risk and opportunity, and in different geographies: we continue to evaluate the response of our consumers but due to variations from market to market and demographic to demographic, particularly in a time of cost-of-living pressures, we will continue to assess the level of risk and opportunity associated with this area. Our sustainable product innovation programme takes such issues into account alongside transition risks, within our product innovation activity (TCFD Strategy (b))
- Assessment of climate-related issues in terms of acquisitions or divestments. We are developing processes to strengthen our approach (TCFD Strategy (b))
- Assessment of climate-related issues in terms of access to capital where there is apparently limited initial impact (TCFD Strategy (b))
- Further development of our decarbonisation roadmap alongside the initial interim milestones noted for our 2025, 2030 and 2040 targets and ambitions (TCFD Strategy (b))
- The development of our internal carbon-pricing approach and modelling which will inform future programmes (TCFD Strategy (b))

TCFD STATEMENT CONTINUED

Governance

The board's oversight of climate-related risks and opportunities

Our approach to climate change risk is embedded within the Governance framework of our core business. Our Board, supported by the Corporate Responsibility, Sustainability, Ethics and Compliance Committee (CRSECC) and the Risk, Sustainability and Compliance Committee (RSCC), has responsibility for overseeing our climate change strategy.

The CRSECC is expected to meet at least three times a year, and at other times as required, to review progress against our sustainability strategy and performance against our targets. In 2022, the Committee met four times. The CEO, who has accountability for sustainability performance at executive level, attends the Committee's meetings and is joined by other senior executives.

The Board receives quarterly updates on sustainability issues and risks, and conducts a formal review at least once a year. Sustainability, including the key issue of climate change, is identified as a principal risk in our risk register, reflecting both its importance and its central role in Reckitt's growth strategy.

In 2022 we introduced two new measures under the Long-Term Incentive Plan (LTIP) to align with our 2030 Sustainability Ambitions: net revenue from more sustainable products and reduction in GHG emissions in our operations.

For more detail on our governance mechanisms, remuneration policy and the CRSECC's activities during the year, see our [2022 Annual Report](#)

Management's role in assessing and managing climate-related risks and opportunities

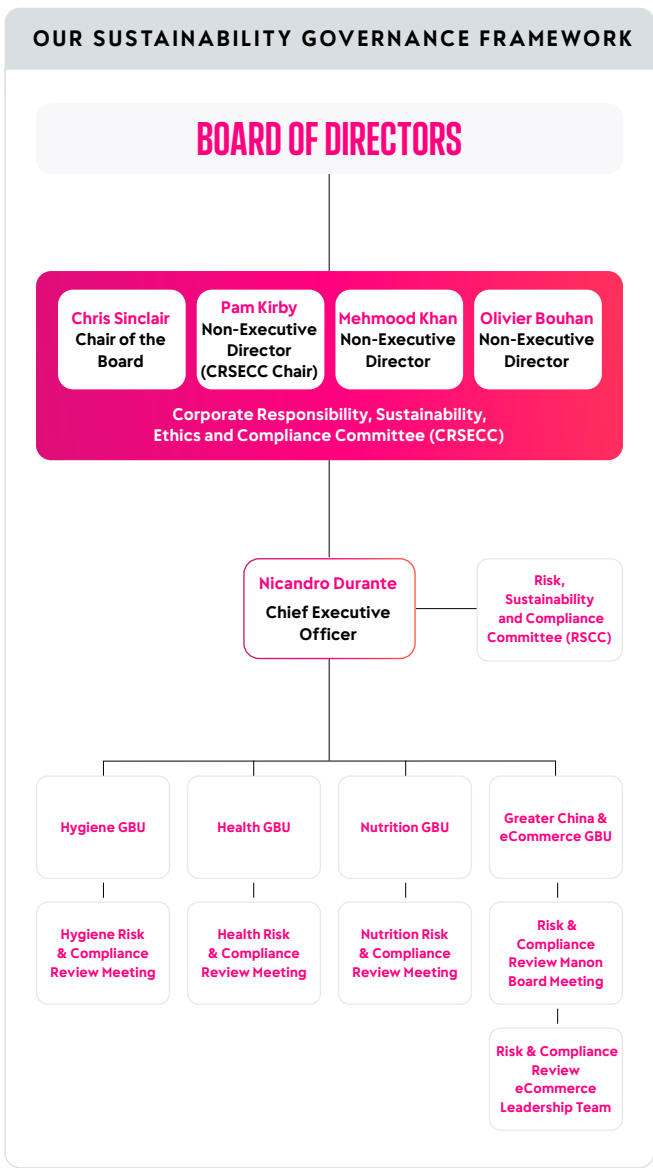
The strategy is delivered through our Executive Committee and management team, who review plans and progress. Management of sustainability matters reflects the structure of our business as one Group with three business units.

We have a single committee for the Group as a whole — the RSCC — which is chaired by our CEO. This is supported by business unit-level committees, which report to the RSCC and to the CRSECC. These committees all meet and report quarterly.

The RSCC reviews risks, including those relating to climate change, and our progress in managing them, and covers all of our environmental, social and governance (ESG) activity. Climate change, performance against operational targets and product footprint activity is discussed in each meeting, and details of carbon roadmap areas and plans to strengthen activity are considered.

Our monthly environmental reporting allows site, regional and functional teams to monitor performance against operational carbon emissions, renewable electricity and energy efficiency metrics. This allows them to manage activity to remain on track to meet our targets while dealing with emerging issues. These monthly performance reports are shared with all relevant functional leaders. Summaries and progress are reviewed monthly at supply chain leadership forums and quarterly in our business unit and global business risk reviews.

Within the business, our Corporate Affairs & Sustainability function leads sustainability-related strategy development and compliance, while programmes are implemented by our Brands, Supply Chain, R&D, Safety, Quality and Regulatory Compliance teams. All functions are represented and overseen by the Executive.



TCFD STATEMENT CONTINUED

Strategy

Understanding our climate-related risks and opportunities

Our approach to understanding the climate-related risks and opportunities affecting Reckitt is underpinned by our scenario analysis, which has been strengthened over the last few years as we further develop our internal data-driven model of the business, or 'digital twin' in partnership with Resilience. This captures key business information, including our locations, financial data, greenhouse gas emissions, and the origins of natural raw materials.

With Resilience, we assessed both transition and physical risks. Transition risks are quantitatively modelled over the short term (five years), and qualitatively over the medium to long term. Operational and market disruption physical risks are quantitatively modelled over a longer time frame (up to 20 years). This informs our understanding of the relative impacts and long-term implications of transition risks derived from policy development, consumer preference, investor sentiment, liabilities and technology, together with acute and chronic physical risks to the value chain. Overall, this supports our assessment of the materiality of individual risks within the time horizon.

Climate emission pathways

Our analysis considered multiple climate scenarios and their implications. We explored the range of potential future global climate pathways, which ultimately guide the externalities that are applied to our business in the scenario models.

The five emission pathways are designed to provide a range of results when analysing climate risk. These have been developed as combinations of SSP-RCP pathways from the IPCC's modelling where:

- SSP (shared socioeconomic pathway) models the societal changes that could occur in the future, including policy changes, consumer changes, investor changes etc.
- RCP (representative concentration pathway) models the ultimate temperature rise, resulting from the SSP taken

We chose these scenarios to enable us to compare both physical risks and transition risks across the same emissions pathway, as they will both have the same driving narrative force behind them. We also chose them as there is a great deal of scientific detail within each pathway.

Emission pathway	Scenario	Description	Temperature increase by 2100 (°C)
Paris Ambition	SSP1-1.9	The most rapid transition pathway as extreme actions are taken to reduce emissions globally with widespread policy changes for a goal of net zero by 2050.	1.5
Paris Agreement	SSP1-2.6	Immediate and coordinated global action is taken to reduce emissions growth with widespread policy changes across various sectors with a goal of net zero by 2070.	2
Stated Policy	SSP2-4.5	Refers to the (conditional and unconditional) policies that countries have pledged through their Nationally Determined Contributions.	2.5
Current Policy	SSP3-7.0	Defined by the climate-related policies that governments have in place today, i.e. if no further policy action is taken.	3
No Policy	SSP5-8.5	Designed as a complete removal of all carbon reduction policies and a push towards fossil fuel development.	>4

We focus on, and report, two scenarios, 1.5°C (Paris Ambition) and 3°C (Current Policy). These scenarios highlight the variation in risks and opportunities in meeting our science-based targets by 2030 and net zero by 2040.

The 2022 assessment is currently presented for our whole business and is not yet separated specifically by geography or sector. These scenarios assume no further climate mitigation. As a result, they exclude our strategic climate actions, which are reducing carbon emissions by strengthening our operating efficiency and developing activity and products with lower carbon and water footprints. This both mitigates risk and creates opportunities. For example: building more resilient supply chains at site level and within ingredient origins; product innovation to meet emerging consumer demand for more sustainable products; and developing products that are well placed for a low carbon, low -water policy and physical environment.

> For more details, see our [Water](#) and [Sustainable Product Innovation Insights](#)

TCFD STATEMENT CONTINUED

Climate-related risks and opportunities identified over the short, medium and long term

Within our 2022 climate-related scenario analysis we include both physical and transition risks, each of which were assessed under the IPCC transition scenarios outlined above. The following risks were modelled:

Transition risks

These risks reflect trends in global policy, technology, finance and society to support the transition towards a low carbon economy.

TRANSITION RISKS IN SCOPE

Risk classification	Policy	Market	Market	Technology	Reputation	Liability
RISK SUB-CLASSIFICATION	CARBON PRICE	CONSUMER PREFERENCE CHANGE	INVESTOR SENTIMENT	LOW CARBON INNOVATION	CLIMATE ACTIVISM AND CONSUMER STIGMATISATION	CLIMATE-RELATED LITIGATION
Risk description	Legislation enacted by national and local governments to price and penalise GHG emissions. In this scenario, carbon pricing policies (either emissions trading systems or carbon taxes) are implemented variably in all jurisdictions; countries are categorised into climate policy leaders, followers and laggards, which defines their carbon price trajectory.	Changing consumer behaviour and reduced demand for goods and services due to shifts in consumer preference. This scenario considers the potential uptake rates of sustainable alternatives, in terms of the proportion of consumers transitioning from conventional to less emissions-intensive products and services.	Market disruption, cost of capital and valuation changes as investors prioritise returns from low carbon companies. This scenario assesses the macroeconomic impacts to individual sectors driven by a series of contrasting divestment trends, from an orderly transition to chaotic market herding.	Disruptive technology changes in key sectors of the economy responding to changing energy needs. A key dimension of this transition will be the risk to existing assets which depend on fossil fuels or are inefficient in their energy usage.	Investor and customer sentiment influenced by a company's actions to manage climate change risk. This scenario considers the potential uptake rates of sector activism and company-specific activism, in terms of the proportion of consumers partaking in climate-related actions, including boycotting, and transitioning to less emissions-intensive products.	Litigation brought by plaintiffs against companies for their liabilities in causing harm from climate change. This scenario assesses the likelihood of climate-related litigation against a single company, and the chances that the defendant wins, loses or settles.

Physical risks

Physical risks can be acute, which are event driven, or chronic, which reflect longer-term shifts in climate patterns.

PHYSICAL RISKS IN SCOPE

Risk classification	Key facility operations	Market disruption	Raw materials supply
Type	Acute and chronic risk Heatwaves, droughts, freezing conditions, flooding and windstorms.	Chronic risk Long-term effects that heatwaves and droughts have on consumer demand.	Chronic risk Impact of temperature and precipitation changes on yield.
Risk description	Disruption to production activities and output from extreme weather events.	Consumer purchases of products or services affected by extreme weather events.	Agricultural produce and water supply affected by extreme weather events and chronic changes in climate.

We consider climate-related risk over the short term (up to three years) in line with our Group risk assessment, over the medium term (3-5 years) in line with our strategic planning cycle, and over the longer term (10 years+) through our ongoing work with Resilience Climate and Enterprise analytics technology, founded on frameworks pioneered by the Cambridge Centre for Risk Studies. We have assessed the near- to medium-term risk in terms of the five-year impact on discounted future earnings value for these risks. This allows comparison of different risks, whether physical or transition, within a standard framework.

TCFD STATEMENT CONTINUED

Impact of climate-related risks and opportunities on business, strategy and financial planning



Potential impacts as a result of 1.5°C (Paris Ambition) and 3°C (Current Policy) pathways:

Risk classification	Time horizon assessed	Modelled scenario impacts	Mitigating actions considered as part of our strategy and financial planning
TRANSITION RISKS			
Policy and legal	Short	1.5°C	<ul style="list-style-type: none"> Monitoring of emerging policy and regulatory frameworks, together with financial tracking of fiscal policy requirements on taxation, informs our planning activity and response to address transition risks from climate-related policy. This contributes to business planning, for example on the development of climate response activity within supply chain and product innovation Targeting progressive decarbonisation in our manufacturing and product footprint, for example, improvements in energy efficiency alongside increasing use of renewable energy, sustainable product innovation, and increased use of recycled and recyclable materials. Our net zero roadmap identifies areas where we can drive progressive decarbonisation in our operations, products and value chain footprints to mitigate this risk Increasing the breadth and depth of data-driven analysis across the supply chain to better identify and mitigate emissions-intensive activities
Fiscal carbon policy development	Medium	<ul style="list-style-type: none"> Radical action by all governments to reduce emissions, driven by carbon price mechanisms Global effective carbon price of \$80 per tonne by 2025 	
	Long	<ul style="list-style-type: none"> Carbon price driven by GHG emissions across the value chain Reckitt carbon price financial impacts driven by GHG emissions across the value chain: <ul style="list-style-type: none"> Upstream suppliers pass through costs Downstream consumer price increases Operational costs increase 	
		3°C	
		<ul style="list-style-type: none"> Mild global carbon price rise driven by the adoption of various pricing mechanisms (\$20 per tonne in established markets) Sectors covered by policies today remain static and are not expanded Reckitt carbon price financial impacts driven by GHG emissions across the value chain: <ul style="list-style-type: none"> Upstream suppliers pass through costs Downstream consumer price increases Operational costs increase 	
Market	Short	1.5°C	<ul style="list-style-type: none"> Reckitt considers consumer sentiment and preferences within our routine brand activity and subsequent innovation programme. In addition, our materiality review and routine sentiment review consider civil society and consumer organisation sentiment. Consumer responses to our brands are captured through our sales data and in broader consumer insight research at brand and sector level. Collectively, and alongside wider stakeholder engagement programmes outlined in our Annual Report, this helps us respond to consumer sentiment on climate change and provides input to our product innovation programme More details on our materiality assessment and how we engage with our broad range of stakeholders can be found at reckitt.com/our-impact/our-approach/materiality-and-stakeholder-engagement Our Sustainable Innovation Calculator helps inform new and existing product development by using quantitative metrics to establish whether an innovation makes a product more sustainable. The calculator specifically includes product carbon and water footprints, stimulating innovation to lower the footprints to both address carbon price increases and consumer sentiment concerns. The development of more sustainable products influences our product development pipeline and supports our ambition for 50% of net revenue to be derived from more sustainable products by 2030. In addition, our science-based target of a 50% product carbon footprint reduction by 2030 enables Reckitt's brand portfolio to become more sustainable and resilient More details can be found in our Sustainable Product Innovation Insight
Consumer preference change	Medium	<ul style="list-style-type: none"> Changing consumer demand to low-carbon alternatives affects product sales Low-carbon alternative products progressively increase market share, supported by policy frameworks including carbon labelling 	
	Long	<ul style="list-style-type: none"> Reckitt brands variably exposed to demand loss, depending on climate (GHG emissions) impact of products (including raw material composition, manufacturing and consumer use) 	
		3°C	
		<ul style="list-style-type: none"> Changing consumer demand to low-carbon alternatives affects product sales Reckitt brands variably exposed to demand loss depending on climate (GHG emissions) impact of products (including raw material composition, manufacturing and consumer use) 	

TCFD STATEMENT CONTINUED

Risk classification	Time horizon assessed	Modelled scenario impacts	Mitigating actions considered as part of our strategy and financial planning
Market	Short	1.5°C	Dialogue with investors provides routine consideration of sentiment relating to our sustainability strategy, including climate action. Our performance in delivering on our targets and within ESG ratings and indices such as the Dow Jones Sustainability Index, MSCI and Sustainalytics ratings and CDP performance provides further insight into how our approach to tackling climate change is regarded
Investor sentiment	Medium	<ul style="list-style-type: none"> Investors are increasingly aware of and focused on company activity to mitigate risks or create opportunity from climate change, together with broader market dynamics and potential significant volatility associated with the transition to a low carbon economy (with higher cost of capital, potential write-downs and credit rating downgrades) 	
	Long	<ul style="list-style-type: none"> As the world pushes towards Paris Ambition targets, the modelled chance for a well-planned transition into a green market is high, at 50%. Conversely, the chance of a more chaotic market collapse is minimal 	
		3°C	
		<ul style="list-style-type: none"> Investors are aware of company activity to mitigate risks or create opportunity from climate change, together with broader market dynamics and limited volatility associated with the transition to a low carbon economy (with higher cost of capital, potential write-downs and credit rating downgrades) As the world continues business as usual, the modelled chance for a well-planned transition into a green market is 10%. Conversely, the chance of a more chaotic market collapse is 30%. The chances of other market outcomes sit between these two outcomes 	
Technology	Short	1.5°C	<ul style="list-style-type: none"> Technology-related asset risk is considered within our modelling, with mitigation being developed. Steps will include progressive energy switching for sites using natural gas within CHP units or boilers. This may involve electrification, use of alternative fuels such as biomass, or the adoption of new technology such as ground or air source heat pumps. The choice of different options is based on current and projected site needs, especially for thermal energy. In some cases, such as our Evansville site, alternatives to natural gas are already in place. Evansville uses landfill gas, alongside natural gas, and the potential to increase that through gas cleaning or other technology is also being considered Additionally, the Sustainable Innovation Calculator, Reckitt's abridged lifecycle assessment tool mandated in new and existing product development, considers the carbon effects of new technology developments, and is the basis for product-related carbon performance targets Additional metrics, such as investment in technology to address climate change impact, will be reported in the future in line with taxonomy disclosure requirements
Low carbon innovation	Medium	<ul style="list-style-type: none"> Radical transition to low carbon technologies and energy systems Renewables supply 26% of primary energy globally by 2025 (Resilience analysis) 	
	Long	<ul style="list-style-type: none"> Significant devaluation of carbon-intensive assets in operations. 	
		3°C	
		<ul style="list-style-type: none"> Slow transition to low carbon technologies and energy system Slight devaluation of carbon-intensive assets in operations 	

TCFD STATEMENT CONTINUED

Risk classification	Time horizon assessed	Modelled scenario impacts	Mitigating actions considered as part of our strategy and financial planning
Reputation	Short	1.5°C	 See our 'Mitigating actions for Consumer preference change' on page 53
Climate activism and consumer stigmatisation	Medium	<ul style="list-style-type: none">• Small relative reputational impact as the world is on track to net zero• Reputation defined by rate of business transition relative to the wider economy	
	Long	3°C <ul style="list-style-type: none">• Moderate reputational impact as the world is not on track to net zero• Reputation defined by rate of business transition relative to the wider economy	
Liability	Short	1.5°C	<ul style="list-style-type: none">• Litigation is tracked functionally and within our business units and markets. It is reviewed via our corporate risk programme, with regular reviews at business unit and global levels, including oversight from the RSCC. Litigation relating to climate change will inform progress in managing transition risk  For more details on our risk management approach, see our 2022 Annual Report
Climate-related litigation	Medium	<ul style="list-style-type: none">• As physical climate damages increase globally, litigation is increasingly used as mechanism to hold companies accountable for their impact	
	Long	3°C <ul style="list-style-type: none">• Exposure defined by sector or company emissions intensity• As physical climate damages increase globally, litigation is increasingly used as mechanism to hold companies accountable for their impact• With greater impact at a 3°C trajectory, litigation may be more significant• Exposure defined by sector or company emissions intensity	
PHYSICAL RISKS			
Operational risk	Short	These results vary less over pathways in the short term compared with transition risks; however, they potentially vary more in the long term, depending on the rate of emissions reduction.	<ul style="list-style-type: none">• Mitigation activity includes site location and design, including building design to mitigate temperature, adverse weather and water stress risks• Water stress is also mitigated by our water efficiency and catchment area management activity, aiming for all sites in water-stressed locations to be water positive by 2030. Site location planning in water-stressed regions already considers future water resources• Damage to assets and the frequency of such events arising from extreme weather and other potentially climate-related events are reviewed through our risk management and business continuity programmes, and connect into financial programmes on insurance
	Medium		
	Long	Physical risk results are largely driven by supply chain risks	
Raw materials supply	Short	Risk increases for raw materials sourced from regions of the world where changes in precipitation and temperature will be more pronounced as a result of climate change.	<ul style="list-style-type: none">• Supply chain risks include impacts on manufacturing suppliers and raw materials. Mitigation is driven by environmental performance improvement and monitoring of raw material origins, with potential switches if needed
	Medium		
	Long	These results vary less over pathways in the short term compared with transition risks; however, they potentially vary more in the long term, depending on the rate of emissions reduction. Physical risk results are largely driven by supply chain risks.	
Market disruption	Short	These results vary less over pathways in the short term compared with transition risks; however, they potentially vary more in the long term, depending on the rate of emissions reduction.	<ul style="list-style-type: none">• Our sustainable product innovation programme, supported by the Sustainable Innovation Calculator, targets products and their use by consumers. This enables design for lower carbon and water footprints in use, helping mitigate physical risks in the marketplace and help meet emerging consumer preference for lower impact products
	Medium		
	Long	Physical risk results are largely driven by supply chain risks	

TCFD STATEMENT CONTINUED

Opportunity classification	Opportunity description	Potential actions and performance measures that are considered as part of our strategy and financial planning
Resource efficiency	<ul style="list-style-type: none"> • Use of more efficient modes of transport • Use of more efficient production and distribution processes • Use of recycling • Move to more efficient buildings • Reduced water usage and consumption 	<p>Participation in renewable energy programmes and adoption of energy efficiency measures</p> <p>Resource substitutes and diversification</p>
Energy sources	<ul style="list-style-type: none"> • Use of lower or zero-emission sources of energy • Use of supportive policy incentives • Use of new technologies • Participation in carbon markets • Shift toward decentralised energy generation 	<p>We are aiming to increase our overall use of renewable energy to 100% by 2030 and maintain our current 100% renewable electricity in manufacturing from 2022 onwards. We are investing in on-site generation and increasing energy efficiency, targeting 25% improvement by 2025.</p>
Products and services	<ul style="list-style-type: none"> • Development or expansion of low emission goods and services • Development of climate adaptation and insurance risk solutions • Development of new products or services through R&D and innovation • Shift in consumer preferences • Access to new markets 	<p>R&D and product innovation which result in improved environmental performance upstream in our supply chain, in our direct operations and for our customers. For product development, a range of tools assess climate-related factors across the product lifecycle from material sourcing to consumer use, as part of our innovation process. These provide insights into the climate-related risks and opportunities associated with our products via our Sustainable Innovation Calculator, which we use to help steer our R&D teams during development of new, more sustainable products across all our brands. The calculator considers metrics including water and carbon footprint, plastics and packaging, and ingredients. Such product innovation provides opportunity for growth, by meeting emerging consumer demands and expectations and developing products that are well placed for emerging fiscal policy and physical environments (transition and physical risks) due to climate change.</p> <p>➤ For information on our SIC and how we're developing products which are more sustainable, please see our Sustainable Product Innovation Insight</p>

TCFD STATEMENT CONTINUED

Resilience of strategy taking into consideration different climate-related scenarios, including a 2°C or lower scenario

Our Sustainability Ambitions are embedded into our business strategy for growth, and support both resilience and opportunity for our operations and brands. Our climate risk scenario platform provides quantitative analytics to inform our risk management and decision making across our brands and wider organisation.

In the short to medium term, overall risk is primarily driven by transition risks. The rate of global decarbonisation and implementation of associated policy frameworks are critical determinants of the magnitude of transition-related impacts. The most significant impacts are likely to arise from policy-driven carbon price increases, which are greatest in a 1.5°C scenario. Changes in consumer preference are also likely to be greater in that scenario and our further evaluation of emerging consumer data will support both mitigation activity and opportunity development from this.

The change in expected physical risks is likely to be minor over a five-year horizon, although climate change-induced extreme weather events are already driving physical impacts in our value chain. Over 20 years, physical risk impacts are likely to become more pronounced in a number of ways. With increased frequency, extreme weather events will disrupt direct and upstream operations, while changes to regional climates may lead to chronic changes to costs, the availability of natural raw materials, and the nature of products that are most viable in certain regions.

Physical risks will increasingly include a greater frequency of extreme weather events, water stress, and higher ambient temperatures which impact sites, supply networks and consumer value chains. Mitigation activity includes site location and design, including building design to mitigate temperature, adverse weather and water stress risks. Water stress is also mitigated by our water efficiency and catchment area management activity, aiming for all sites in water-stressed locations to be water positive by 2030. Site location planning in water-stressed regions already considers future water resource planning. Supply chain risks include impact on manufacturing suppliers and raw materials. Mitigation is being driven through environmental performance improvement and monitoring of raw material origins, with potential switches if needed.

Our sustainable product innovation programme, supported by the Sustainable Innovation Calculator, targets products and their use by consumers. This enables design for lower carbon and water footprints in use, helping mitigate physical risks in the marketplace and help meet emerging consumer preferences.

We recognise the current limitations of the digital twin and will look to enhance the depth and breadth of data used in our modelling.

For our operations, associated transitional risks and opportunities for Reckitt have been identified within a short- to medium-term time horizon, with a moderate potential magnitude of impact. Potential transitional risks and opportunities identified include those associated with increased costs, such as energy or commodity prices. To mitigate these risks, we are aiming to increase our overall use of renewable electricity to 100% by 2030 and maintain our current 100% renewable electricity in manufacturing from 2022 onwards. We are investing in on-site generation and increasing energy efficiency, targeting a 25% improvement by 2025.

For our supply chain, the associated risks and opportunities for Reckitt have been identified within a short- to medium-term time horizon with a moderate to low potential magnitude of impact. Potential transitional risks and opportunities identified include those associated with energy cost increases impacting our suppliers, due to increasing climate-related regulation and financial policies consistent with a low carbon economy, such as carbon pricing. Such risks to our supply chain could result in increases in operational costs for Reckitt and have influenced the business's approach to working with suppliers and helping them reduce their own carbon emissions. Reckitt's approach to sourcing natural raw materials (for example, palm oil and latex) has been influenced by the climate-related risks and opportunities we have identified. In 2021, we published our Sourcing for Sustainable Growth Policy which, alongside our Third-Party Code of Conduct, outlines our approach to supply chain due diligence and explains how our expectations of business partners align with our commitments. In our Sourcing for Sustainable Growth Policy, we outline our standards for meeting and exceeding applicable laws and international standards, ensuring health and safety at work, protecting the environment and safeguarding human rights. We also ask our business partners to commit to seeking out

new opportunities to improve products and innovate responsibly. Through product innovation, we are aiming to reduce carbon and water footprints and adapt to potential market circumstances, targeting a 50% product carbon footprint reduction by 2030.

In the absence of our current activity to address climate change risks to our operations, products and value chains being considered within the current modelling, the scenario analyses suggest that the collective climate change impacts may present risks to Reckitt's activity. However, Reckitt's strategy, targets, activity and progress, including those mentioned above, help mitigate these risks and build resilience. These measures are intended to strengthen operating practice, support more resilient value chains and develop products to meet emerging policy frameworks and consumer preferences. In doing so, these measures can progressively reduce carbon impacts within the five-year time horizon and beyond. With these measures continuing, the current scenarios and associated risks are not considered material to ongoing business operations.

TCFD STATEMENT CONTINUED

Risk management

Processes for identifying and assessing climate-related risks

Over the past six years, we have conducted climate-related risk and opportunity scenario analyses which recognise the longer-term impacts of climate change. These also extend consideration of risk to 2030 and beyond. In 2018, we reviewed Reckitt's activities with PwC, considering low carbon transition risk such as those arising from policy changes relating to carbon pricing, together with physical climate impacts from extreme weather events. These considered 2°C and 4°C scenarios and associated risks and opportunities analysis across our value chain.

Building from this, and to strengthen our assessment and planning activity, we began a long-term partnership with Resilience and Cambridge Centre for Risk Studies at the University of Cambridge Judge Business School in 2020, which will continue into 2023. This supports our modelling of climate risks in greater detail, helping to shape prioritisation of activity to mitigate these over the next decade.

In addition, and within our ongoing risk management, Reckitt strengthened established sustainability metrics and indicators, including those on climate change. These include our science-based targets on climate change, announced in 2020, and our Sustainability Ambitions for 2030, which were launched in March 2021. The Resilience analysis has also helped identify, assess and respond to physical risks such as more frequent weather events including flooding or droughts. These can have an impact on operational capacity within our supply chain, and extend existing corporate risk management activity on business continuity.

Processes for managing climate-related risks

A range of activities are underway to mitigate climate-related risks:

For transition risks such as the potential for commodity cost rises through low carbon land management and international carbon pricing systems, procurement teams continually review supply chains to mitigate such impacts. In the longer term, this may also involve the use of alternative ingredients and materials with evaluation and development through our R&D function. An increasing carbon price, whether from market dynamics or policy intervention, might similarly affect manufacturing and energy costs. Progressive improvements in energy efficiency will continue to mitigate this, alongside increasing use of renewable electricity.

In our operations, sustainability risks, including climate change, flooding and water scarcity, are assessed across sites through annual global asset and environmental risk reviews. The results are reported and reviewed through our risk management framework, and established governance processes (see [page 50](#)). For non-Reckitt sites, we work with our suppliers to help them reduce their own carbon emissions. Our partnership with Manufacture 2030 helps suppliers measure and progressively reduce their emissions. In doing so, the resulting supply chains will become more resilient to the transition and physical risks from climate change, enabling performance opportunities.

In water-stressed locations, for example, alongside global programmes to improve water efficiency, we are developing a water catchment area approach. This includes using different water quality where practical and not compromising product standards. To reduce the need for abstracting water in these locations, water harvesting and local water course remediation projects have been carried out, supporting better access to, and sustainability of, water resources in the local area. These measures support our aim to be water positive in all 17 sites in water-stressed locations by 2030,

helping mitigate local water stress risks. In the case of our Hosur factory, the measures in place have been verified as equivalent to the site's annual water use. When planning new sites, we consider future water suppliers and activities from the outset to develop a sustainable long-term water supply and lower the risk of water stress. Complementing this catchment approach, a water scarcity study is underway to better understand how products can be developed to keep risks to water sources as low as possible. This broad approach supports resilience against water risk and develops opportunities in performance and longer-term resource pressures.

 For further information on how we manage water resources, please see our [Water Insight](#)

Climate-related risks are identified, assessed and managed on an ongoing basis, and with a forward horizon in excess of 10 years. These risks and opportunities have been identified within a short-, medium- and long-term time horizon with a moderate potential magnitude of impact. These measures are part of routine business planning within brand and supply chain activity. They form part of financial planning for those business functions in annual and three-year cycles in order to manage risks and deliver against our Sustainability Ambitions.

For example, capital allocation for environmental improvements on carbon are built into current five-year planning and are within existing external disclosures. Progress in these areas is reviewed routinely, as frequently as quarterly for some metrics such as operational carbon emissions, renewable electricity and energy efficiency. Reviews of progress enable further assessment of resource need and allocation within ongoing financial and operational planning activity. No additional resources to address both these climate-related risks and opportunities are currently expected beyond existing business investments already disclosed.

TCFD STATEMENT CONTINUED

Processes for identifying, assessing and managing climate-related risks are integrated into the organisation's overall risk management

Reckitt operates an integrated company-wide risk management process for financial and non-financial risks performed at the functional, business unit and corporate levels. This comprises identification and monitoring of potential risk impacts, mapping current controls and development of management action plans to address control gaps. The Group principal and emerging risk assessment is part of the integrated risk management framework, identifying the principal and emerging risks with the greatest potential to have a substantive or strategic impact on the Group. The assessment is completed annually in advance of the business unit and corporate strategic planning process, taking into consideration the outcomes of detailed risk assessments conducted in specific areas throughout the year, for example, climate-related physical and transition risk scenario analysis. At the corporate level, sustainability (including climate change) was identified as a principal risk during 2021, assessed in line with the UK Corporate Governance Code Revisions 2018. It continued to be a principal risk in 2022. Further information can be found in the **Risk Section** of our Annual Report. Additionally, through our ESG issues materiality assessment, sustainability risks are reviewed every two to three years.

➤ For further information on our 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)

Metrics and targets

We have established sustainability metrics and indicators including our science-based targets on climate change and our Sustainability Ambitions for 2030, see **page 42** for year-on-year performance. The metrics we use to measure progress against our net zero ambitions can be found in our net zero roadmap, which includes energy, emissions, water, waste and packaging-related metrics. We are also working on developing a set of metrics for biodiversity in 2023.

Emissions reduction

Reckitt has two key climate-related targets to drive performance in areas both directly controlled and across our value chain, in line with the Paris Agreement on Climate Change to keep global warming to below 2°C. To realise our own ambition to achieve net zero by 2040, we have set targets for Scopes 1, 2 and 3 emissions for 2030. These targets are validated by the SBTi:

1. Reduce absolute Scope 1 and 2 emissions by 65% by 2030 from a 2015 base year
2. Reduce our product carbon footprint (Scope 3 emissions) by 50% by 2030 from a 2015 base year, which will help to mitigate the impact of transition risks, such as changing consumer preferences in favour of low impact products

Energy use

Supporting these goals is our commitment to RE100 and increasing the use of renewable electricity to 100% by 2030. We also aim to improve energy efficiency across our operations by 25% by 2025.

This activity is initially focused on the highest energy-consuming processes in manufacturing sites. The overall approach includes plans and targets for all sites which contribute to longer-term climate change and science-based targets, and our ambition to be net zero by 2040. These ambitions will affect our operations as, for example, in 2021, further steps were taken to include progressive energy switching for sites using natural gas within CHP units or boilers. See our 'Mitigating actions for Low carbon transition' on **page 54**. In some cases, such as our Evansville site, alternatives to natural gas are already in place.

We report progress against these metrics on an annual basis. We also participate in the annual CDP climate change disclosure and report our performance against the CDP climate indicators. Our response can be found at [reckitt.com/our-company/policies-reports](https://www.reckitt.com/our-company/policies-reports)

Other metrics

Beyond the above climate-related metrics, performance is also assessed against other transition risks, including:

- Monitoring of emerging policy and regulatory frameworks, together with financial tracking of fiscal policy requirements on taxation. This informs our planning activity and response to address transition risks from climate-related policy. It contributes towards business planning, for example on the development of climate-response activity within supply chain and product innovation
- Damage to assets with the associated remediation costs and the frequency of such events arising from extreme weather and other, potentially climate-related events are reviewed through our risk management and business continuity programmes. These also connect into financial programmes on insurance
- Investor ratings performance through the Dow Jones Sustainability Index, MSCI and Sustainalytics ratings, and CDP performance provides ongoing insight into investor sentiment. Dialogue with individual investors provides further routine consideration of sentiment relating to our climate change and wider ESG activity.
- Tracking litigation functionally and within our business units and markets. See our 'Mitigating actions for Climate-related litigation' on **page 55**

➤ For more details on our risk management approach, see our **2022 Annual Report**

A photograph of a person swimming in the ocean at sunset. The person's arms are raised in the air, and their reflection is visible in the water. The sun is low on the horizon, creating a warm, golden glow. A single bird is flying in the sky above the person.

WATER

We focus on using less water, using it more efficiently, and recycling the water we collect on our sites, while working locally to give communities better access to clean water and sanitation. This supports our ambition to be water positive in water-stressed areas by 2030.

WATER CONTINUED

2022 PERFORMANCE

Our ambitions	2022 progress	2021 ¹	2020 ¹	2015 baseline ¹
30% reduction in water use (per tonne of production) by 2025 vs 2015	-5% ⁺	-5%	-8%	—
Water positive in water-stressed sites by 2030	1/17	1/17	—	—
50% reduction in product water footprint by 2040 vs 2015	+17.1% ⁺	+14.3%	—	—
Other water metrics				
MANUFACTURING & WAREHOUSING				
Water discharge (m ³) per tonne of production	7,967,895 ⁺	8,241,339	8,551,910	8,060,308
Water use (m ³) per tonne of production	2.61 ⁺	2.61	2.53	2.76
Wastewater discharge (m ³)	5,672,683 ⁺	5,696,952	6,006,216	5,093,854
Water discharge (m ³) per tonne of production	1.86 ⁺	1.81	1.78	1.74
Fine or prosecutions for environmental breaches or pollution (£)	—	—	—	—
PRODUCT WATER FOOTPRINT				
Total water footprint (without indirect consumer phase) (million litres)	1,605,205 ⁺	1,566,605	—	1,371,073
Total water footprint (with indirect consumer phase) (million litres)	2,049,418 ⁺	2,001,351	—	1,817,429

* Assured by ERM CVS as part of their limited assurance scope; for details, see our [Sustainability Governance, Reporting and Assurance Insight](#)

1. Data restated due to removal of divested sites and data reporting improvements. See our Reporting Criteria for more detail at reckitt.com/our-company/policies-reports

+/- indicates an increase/decrease relative to baseline

WATER CONTINUED

Water plays a crucial role in our products, how they're made and how they're used. We're looking at our impact across the whole water footprint, reducing the amount of water it takes to make our products and helping consumers use less water when using them. We're also helping water-stressed communities where we work to have better access to clean water and sanitation.

More than two billion people¹ around the world live in countries which are water-stressed. This is where demand for accessible fresh water exceeds supply. In some regions climate change is making the problem worse. This means we have a duty to find ways to reduce our water consumption, and help people reduce the water they consume when they use our products.

Since 2012, we've focused on reducing the water used across our value chain as we push ahead in minimising our overall impact. This isn't just good for the planet and people, but it also makes our business more resilient.

We also aim to help people get better access to clean water and sanitation in the communities in which we work. Through these efforts and through our products, we're helping to ease the problems of scarcity and water access or availability in support of Sustainable Development Goal 6, which calls for clean water and sanitation for all.

The water consumed in manufacturing makes up less than 1% of our products' overall water footprint. This means we need to address water use over the complete lifecycle of our products. We're continuing our efforts to help our consumers cut their water use, for example by reformulating our products using ingredients that need less water to be effective, and encouraging consumers to save water when using our brands. For example, our #SkipTheRinse campaign has encouraged people who use our Finish dishwasher product to save water by not rinsing their dishes before washing, in order to save water.

1. UN water: unwater.org/water-facts/water-scarcity



#SKIPTHERINSE WITH FINISH, A SIMPLE BEHAVIOUR CHANGE THAT SAVES WATER

We can help our customers change behaviours to use less water when they use our products. Our brand Finish encourages people to #SkipTheRinse when loading the dishwasher. Pre-rinsing dishes uses up to 57 litres of water per load. This is wasted water because Finish is so effective at removing dirt. The global #SkipTheRinse campaign, with our partners National Geographic, WWF, Love Water UK and The Nature Conservancy, aims to encourage people to turn off the tap before loading the dishwasher. In 2022, Finish US announced its ambition to save water each year by encouraging consumers not to pre-rinse before dishwashing.

In 2022, we launched the 'Finish 24-Hour Challenge', daring consumers to cook and eat a lasagne, load the dishwasher and run it once it is full, 24 hours later. If Finish Quantum doesn't remove the 24-hour dried-on stains, the meal is on Finish.

Some consumers mistakenly believe they need to pre-rinse their dishes to remove dried-on food, and that if it's already dried, it won't wash off. The Finish 24-Hour Challenge sets out to disprove this misconception and help save water along the way.



OUR WATER FOOTPRINT



4%

Raw materials



1%

Packaging



<1%

Manufacturing



0%

Logistics & retail



94%

Consumer use
(direct only)



0%

End of life

WATER CONTINUED

We're committed to being a good water steward. By 2030, we aim to be water positive in regions of water stress where we operate. Climate change means water stress is becoming more widespread. This is an important issue for us. We currently have 17 sites in regions where water scarcity is a potential risk, and we're focused on reducing our water impact in these communities, where 18%* of our total water use is withdrawn from water-stressed regions. To tackle water stress, we need to collaborate with, and learn from, others. For example, we partner with WWF and Agua Capital. We are also a member of the Water Resilience Coalition, an industry-driven group that seeks to put global water stress at the top of the corporate agenda, and its parent organisation, the CEO Water Mandate, which is endorsed by more than 200 companies. This aims to address global water challenges through corporate water stewardship, in partnership with the United Nations, governments, civil society organisations and other stakeholders.

* This figure includes a site which was partially operational during 2022 and sold in the same year. When not including this site, the figure is 17%

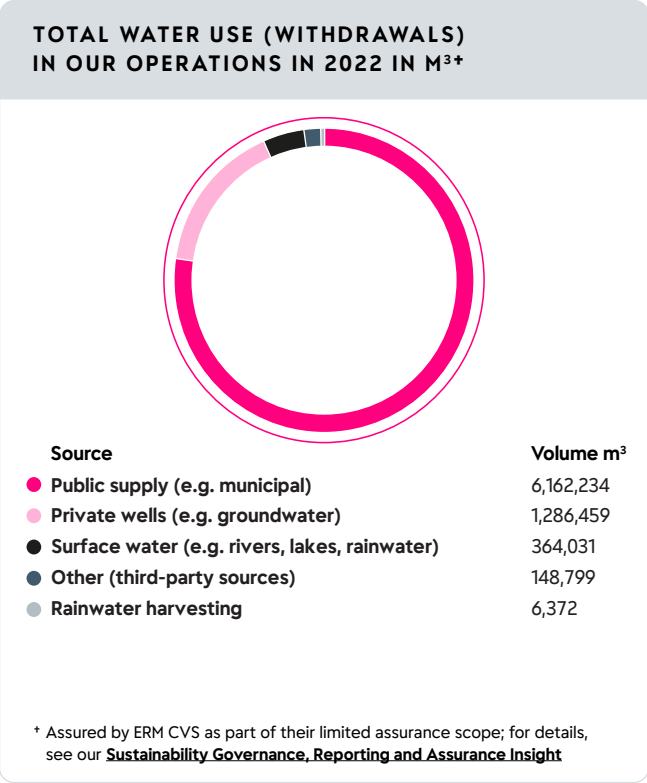
Water use in our operations

Our aim is to reduce water use per tonne of production against a 2015 baseline by 30% by 2025.

Our progress on water reduction remained fairly flat this year, as all our sites continued work to meet their water reduction goals, and to treat wastewater more effectively. Since 2015, we've reduced our water use by 5% globally. Challenges in our supply chain meant that this figure stayed the same from 2021 to 2022. But, we've identified projects that will get us to our 2025 target. We've made progress with initiatives to use water more efficiently in production, for example through cooling tower operations or during routine cleaning, while maintaining the same standards of hygiene. This year, our total water withdrawals were 7,967,895 m³, a decrease in absolute terms of 3% compared with the previous year, while we recycled and reused 380,925 m³, up 57% since 2021 (241,592 m³).

Managing and monitoring performance

We operate under a Group certification for ISO 14001. All sites were independently certified in 2022, except one site in Wanamingo, in the US, a new facility which is scheduled for certification in 2023. Our sites must also meet our Global Water Management Standard. This requires them to go beyond compliance and reduce their water impact in support of our Sustainability Ambitions.

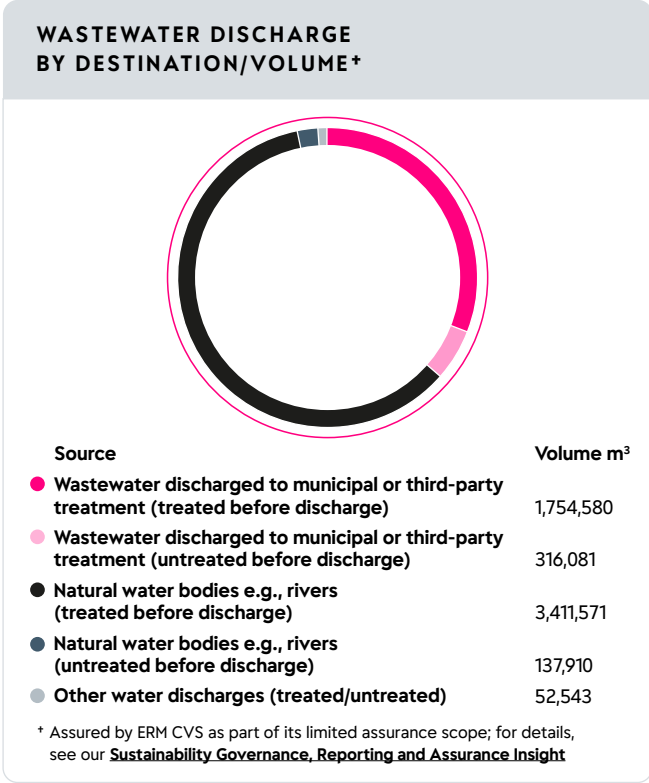


We were pleased to be awarded leadership status for water stewardship by the CDP for the fourth consecutive year. In 2022, we retained our A- score for water security, which we've maintained since 2019.

Wastewater discharge

We are aware of the importance of wastewater management to overall water quality and water supply. That's why we're developing our wastewater treatment programmes and enhancing controls in our factories to mitigate this in our operations. All our sites must also meet our Global Wastewater Standard, which sets minimum standards for wastewater management at our sites.

Total wastewater discharge this year was 0.4% lower than 2021.



WASTEWATER DISCHARGES – QUALITY

	2022	2021¹	2020¹
Direct chemical oxygen demand (metric tonnes)	2,081	1,966	2,521

1. Data restated due to removal of divested sites and data reporting improvements. See our Reporting Criteria for more detail at [reckitt.com/sustainability/policies-and-reports](#)

WATER CONTINUED

Optimising our processes

We've made progress on reducing, reusing and recycling water at several of our sites. For example, our facility in Cali, Columbia, has eliminated 80% of the water used in cleaning by reducing the number of steps involved from three to two, while maintaining effectiveness and optimising the process. Cleaning and sanitisation is a critical element of our pharmaceutical manufacturing, and none more so than at our Hull site. Through a number of optimisation studies and successful trials, our RPS (Reckitt Production Systems) teams changed our cleaning times and routines. As a result, we could reduce both the water and cleaning materials used, while making sure our processes maintained quality.

Reusing and recycling more water

When thinking about the water we use, we not only look at the water coming into our plants, but also at how we use and potentially reuse the water in our plants for certain operations. By increasing the water we reuse and recycle, so that it's used several times, we're able to optimise how we use the water in our systems before returning it to the environment. This in turn reduces the amount of water we source locally and our overall water use.

For example, at Tatabanya in Hungary, we've implemented a relatively simple system to treat and reuse 'grey' water, which has been captured from another process. The water has already been used once in the plant, but is still useable, free of bacteria and viruses. By collecting this grey water and using it to flush the toilets, the site reduced its total water use by 8%.

Aiming for water positivity

Our ambition is to become water positive at all our sites in water-stressed areas by 2030. To meet our ambition, we're testing a range of methods and evolving our approach as we learn.

We're developing water catchment area programmes at key sites. At Hosur in India, we started by focusing on water neutrality activities and opportunities in 2019 and have invested in rainwater harvesting and helped reinstate local water courses. In 2022, the site was independently certified as water neutral, using the Volumetric Water Benefit Accounting (VWBA) methodology. Projects included restoring tanks, deepening canals, digging sunken ponds, repairing spill-ways and building small check dams to prevent soil erosion. These projects have also benefited local communities.

We'll continue to work to reduce water consumption at our manufacturing sites, looking for new opportunities to recycle water and replenish the water catchments we operate in.

We assess water risk using the World Resources Institute (WRI) Aqueduct tool. We've also worked with the consultancy Resilience and their Climate and Enterprise analytics technology, founded on the influential frameworks pioneered by the Cambridge Centre for Risk Studies, since 2020 to assess our climate change risks and opportunities in the areas where we operate, and to inform our strategic decision-making. This involves assessing physical risks, including water stress, over a five- to 20-year period, focusing on impacts throughout the value chain.

For more information, see our [Climate Change Insight](#), including our TCFD statement



WATER SAVINGS IN NOTTINGHAM

As part of the Nottingham site's strategy to cut its water use, the team has been reviewing key water processes on site, tracking exactly where water goes and assessing how it's used.

A key finding was in Strepsils manufacturing, where water was being continuously fed into four purified water vessel pumps to keep the seals lubricated. A more water-friendly method was found, using glycerine pots. By installing these pots on each pump, the Asset Care team generated annual water savings of 3,500 m³, with the investment repaid in less than a year.



Image: Hosur – water positivity achieved

WATER CONTINUED

PRODUCT WATER FOOTPRINT

2022							2021	2015 (baseline)
Product water use:	Raw material	Packaging	Manufacturing	Logistics & retail	Consumer use (direct only)	End of life	Total	Total
Million litres	70,100	21,700	9,000	<100	1,504,500	0	1,566,600	1,371,100
% split	4%	1%	<1%	<1%	94%	0%	100%	

Figures in the above tables have been rounded for presentation purposes
* Assured by ERM CVS as part of their limited assurance scope; for details, see our [Sustainability Governance, Reporting and Assurance Insight](#)

Our water footprint across the value chain

As well as focusing on the water we use in manufacturing, our approach also involves looking at our product footprints, and we've set an ambition to halve the overall water footprint of our products by 2040, compared with 2015.

This goes beyond looking at product water intensity in our operations to include water use across the value chain, for example in the production of raw materials and packaging. We also include the direct consumer-use phase, for example when consumers need to add water to infant formula. We don't include indirect consumer use, for example the water used by consumers' dishwashers.

This year our water footprint increased as our production volumes increased. However, we continue to assess the water footprint of each new product during its development. At each stage, we run models using our Sustainable Innovation Calculator (SIC) to make sure we're minimising our water use as much as possible. Our R&D teams use the SIC to check if new products are more sustainable than existing ones, and the criteria include water.

There can be trade-offs between our different Sustainability Ambitions and we consider these as part of the SIC calculations. For example, moving to bio-based and renewable resources may cause our water footprint to increase, especially in the areas of raw materials and packaging. However, we're still committed to driving down this footprint over time.

For more details, see our [Sustainable Product Innovation Insight](#)



RAINWATER HARVESTING IN MEXICO CITY

Across much of Mexico, water stress is a growing concern, both socially and environmentally. In the areas surrounding our Tlalpan and Atizapan sites, limited groundwater, problems with water infrastructure and the demands of a growing population mean that water availability is a key focus. Meanwhile, the region also experiences periods of fluctuating or unpredictable rainfall at particular times of the year.

To help with this, we're working with local communities and the Agua Capital NGO and its partners to increase water availability. We've installed rainwater harvesting equipment in nine schools and community centres, which captures rainwater for use in washrooms and cleaning. We've also carried out water-saving measures, piping upgrades and leak repairs, as well as local engagement and water education to increase access and awareness.



Image: Rain water harvesting in Mexico City

WATER CONTINUED



WWF PARTNERSHIP TO HELP COMMUNITIES IN PAKISTAN

We are working with WWF Pakistan and organisations in the country, including government stakeholders, to replenish and conserve water resources in Karachi and Sindh, where we have facilities.

In 2022, we started to implement nature-based solutions with the aim of providing the biggest benefits, while raising awareness with local community leaders. This has included installing 30 rainwater harvesting systems, three drinking water filtration plants, three Ablution Water Reuse Systems and the construction of a floating treatment wetland.

In total, we aim to replenish around 15,000 m³ of water a year, while also demonstrating good water stewardship practices.

We have a global partnership with WWF focused on freshwater. In addition to the project in Pakistan, we are also protecting and saving 2,100 km of the Ganges and Tapajos river basins in India and Brazil.

Looking ahead

In 2023, we'll continue to work on reducing water in our operations, focusing on optimising our processes, reusing, recycling and collecting water, and advancing water positive programmes, as well as continuing to reduce wastewater. We'll continue to cut our products' water footprint, supported by the Sustainable Innovation Calculator. We also plan to focus on the unique challenges that our sites face in areas of water stress. We will be engaging in the UN Water Conference 2023, which will be hosted in New York, where we'll be driving thought leadership around water sustainability, and as part of that, we'll lead and participate in panels and roundtables to raise awareness on how businesses can tackle the global water crisis, and reiterate the link between water and public health.



Image: Reckitt Pakistan's Head of Communications & Public Affairs, Natashe Zafar, talking with communities about water stewardship



WASTE

Eliminating waste and making our processes more efficient improves our productivity and helps make us more sustainable. We try to generate as little waste as possible, reuse as much as we can, and dispose of the rest responsibly. We're also striving to use more recycled, recyclable and reusable materials in our products and packaging.

WASTE CONTINUED

2022 PERFORMANCE

Our ambitions	2022 progress	2021 ¹	2020 ¹	2015 baseline
25% reduction in waste from manufacturing (per tonne of production) by 2025 vs 2015	-21% ⁺	-21%	-15%	—
100% factories send zero waste to landfill	94% ⁺	96%	92%	—
Other waste metrics				
Waste (kg) per tonne of production	25.6 ⁺	25.9	27.7	32.6 ¹
Hazardous waste (kg) per tonne of production	4.3 ⁺	4.2	3.8	—
Total waste generated (metric tonnes)	78,150 ⁺	82,513	93,846	—
Total waste recycled/reused (metric tonnes)	51,787	55,388	65,605	—
Percentage of waste recycled	66%	67%	70%	—
Total waste to landfill (metric tonnes)	5,577	5,793	5,365	—

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

1. Data restated due to removal of divested sites and data reporting improvements. See our Reporting Criteria for more detail at [reckitt.com/our-company/policies-reports](https://www.reckitt.com/our-company/policies-reports)

WASTE CONTINUED

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 packaging. Shrinking our waste footprint can help us reduce our environmental impact, cut costs and help combat climate change, which is why we continue to work towards our waste reduction targets.

Our approach

We have a responsibility to minimise the waste we produce. Doing so reduces the resources we use, the waste needing to be disposed of and helps cut costs. Waste can occur across our whole value chain, from when we source and process ingredients to when consumers dispose of our products and their packaging after use (see our [Plastics and Packaging Insight](#) for more information). Waste also occurs during our manufacturing processes and we are focused on minimising waste generation alongside choosing alternative disposal options to landfill, such as recycling.

Optimising our manufacturing processes to make them more efficient helps us use less material and, therefore, helps reduce the amount of waste generated. This brings additional cost benefits to our business but also supports a more responsible approach to resource use. Beyond avoiding waste altogether, we're focused on minimising the impacts associated with its treatment – reprocessing or recycling as much as possible.

In addition, generating energy from waste, through incineration for instance, has benefits as it avoids sourcing energy from higher-carbon, non-renewable sources like gas, and it helps to reduce our carbon footprint. Less waste to landfill also means less carbon dioxide and methane being created as waste degrades – harmful GHGs that add to climate change.

In 2022, we continued to develop and track the impact of initiatives to cut waste in our manufacturing sites, with a 21% reduction relative to production since 2015. We are also very close to our target of zero waste to landfill, where all but three of our sites were zero waste to landfill at the end of 2022.

Our North American Zeeland and Evansville Nutrition sites are behind schedule on zero waste to landfill. However, they are expected to reach this goal in early 2023, after reaching approximately 95% avoidance of waste to landfill by the end of 2022. We are also working on a plan for our Wanamingo site, which was acquired in 2021, to reach zero waste to landfill. Prior to our ownership, the site did not have an environmental management system in place. This is currently being developed and implemented.

Managing waste from our operations

Our manufacturing sites are subject to the global ISO 14001 environmental management certification and follow our Global Waste Management Standard, which covers every aspect of waste management from legal compliance and risk management to operational controls, strengthening our activity and tracking performance. It requires sites to report every month on the type, quantity and disposal route of the waste they produce. Our Global Environmental team analyses progress and investigates significant variations with sites, providing support and guidance to improve performance. All sites are regularly audited, both internally and externally. Each site undertakes an annual self-assessment of compliance with the waste management standard, and detailed site audits look at legal compliance, risk management and environmental performance of each site in reducing waste. This includes checking proper disposal of all waste.

“WE CONTINUALLY REVIEW THE WAY WE WORK, IDENTIFYING OPPORTUNITIES TO REUSE MATERIALS TO AVOID WASTE, WHILE MAINTAINING THE SAFETY AND QUALITY OF OUR PRODUCTS.”



CO-PROCESSING BENEFITS

At our Sitarganj site in India, which produces Hygiene and Health products, our effluent treatment plant produces sludge as a by-product which can often be used in the cement industry. However, our previous methods have meant that the sludge's moisture content was too high to be used in cement plants for co-processing (energy recovery). This meant that sludge was sent for incineration (without energy recovery). In March 2022, we implemented a new electrical drying process at the site to produce dry sludge. This has both economic benefits, through a reduction in the overall volume of sludge disposed, cost benefits from co-processing compared with incineration and environmental benefits with a 5.7% reduction in overall site waste volumes in 2022.



WASTE CONTINUED

Going beyond regulations

Where possible, we always strive to go above and beyond local and national waste management regulations. We apply Reckitt global standards and best practices to our sites, and develop action plans to improve performance and standards if required. 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 a 'waste hierarchy', where preventing waste is the best outcome. Where waste can't be avoided, we aim to minimise it, or reuse or recycle materials. Recovering energy from waste is next in the hierarchy, followed by disposal as the last resort. Each site's environmental specialists help identify the best ways to follow this waste hierarchy.

We continually review the way we work, identifying opportunities to reuse materials to avoid waste altogether where we can, while maintaining the safety and quality of our products. For example, our site in Bangpakong, Thailand, which manufactures Durex condoms, used to send all its unwanted latex to waste management companies for incineration. Now over a third (more than 142 tonnes) of our waste latex is being upcycled to make flip-flops. The first batch was donated to a local school.

Working with suppliers

We're also working to cut waste in our supply chain. We do this by monitoring site waste, promoting waste reduction and supporting suppliers to use more recyclable and reusable materials and dispose of waste responsibly. This includes working with them to improve waste data reporting, which is key to tracking and improving waste efficiency. In 2022, we continued our partnership with Manufacture 2030, which provided our key suppliers with support around reducing their waste footprint. Throughout the year, Manufacture 2030 facilitated a number of webinars around waste for our suppliers, in addition to supporting them build their action plans and submit data. To date, our suppliers have completed 991 actions which have saved 571.4 tonnes of waste.

Overcoming challenges

We face challenges associated with the high cost of alternatives to landfill in some regions. Repurposing waste or turning it into new material or energy can be expensive because of the extra costs for recycling, transporting and storing the material. We continue to look for ways to manage and dispose of waste that are environmentally friendly and cost-effective, and also follow the principles of the waste hierarchy.

Making reuse and recycling easier for consumers

We aim to make products more sustainable, which includes reducing waste impacts and helping consumers to reduce their waste footprint. Our design and material choices help to make our packaging reusable or recyclable, and increase its recycled content. For example, we're swapping multi-layer laminates for mono-materials which are easier to recycle, and we're removing black dyes from our bottles that can impede the recycling process. We are also reducing the amount of material used within packaging through processes such as lightweighting or offering refill packs.

➤ For more details on these initiatives, see our [Plastics and Packaging Insight](#)



Looking ahead

We will continue to look for better ways to avoid, reduce, reuse or recycle our waste. Eliminating waste and making our processes more efficient, by doing more with less, improves our productivity and makes us more sustainable. Our sustainability and productivity teams will continue to work together to find new ways of increasing productivity by using fewer resources and reducing environmental impact.

We will also be delivering on our war on waste campaign through our Reckitt Production System (RPS), where waste reduction has been a key focus and success for many of our sites. With the rollout of RPS across our business units, sites are able to take a systematic approach to assessing and reducing material waste from our production processes, using proven guidance, recommended techniques and support tools. A combination of waste and process mapping is enabling sites to identify opportunities to eliminate waste at source as well as segregate it, allowing it to be more easily reused and recycled.

We will also innovate to reduce waste. 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](#)

We will continue to use our brands to encourage consumers to behave in ways that avoid waste and help them dispose of packaging responsibly when products are finished. For example, our new powder to liquid solutions for Dettol hand wash in India mean the bottle can be reused up to 20 times.

➤ For more detail, see our [Plastics and Packaging Insight](#)



BIODIVERSITY AND ECOSYSTEMS

We aim to sustainably source our natural raw materials, helping to protect and regenerate the ecosystems that we're part of. Our science-based approach is helping to build a framework to better measure risk and impact, set robust and credible targets, and evaluate progress.

BIODIVERSITY AND ECOSYSTEMS CONTINUED

2022 PERFORMANCE*

Our ambitions	2022 progress	2021	2020
Evaluate our ecosystem footprint and impacts	Metrics under development	–	–
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	–	–
Other metrics and targets			
PALM			
100% RSPO certified palm oil by 2026, of which:	39%	29%	–
Fats blends 100% RSPO certified by 2022	100% ¹ Segregated - 93% Mass Balance - 5% Credits - 2%	76% (credits)	–
Soap noodles 100% RSPO certified by 2023	40%	31%	–
Palm derived surfactants 100% RSPO certified by 2026	11%	–	–
Percentage of palm oil traceable for suppliers globally (excluding palm derived surfactants)			
% of total mill supply	to mill - 99%	to mill - 96%	to mill - 88%
% of total plantation supply	to plantation - 80%	to plantation - 67%	to plantation - 19%
Percentage of palm oil traceable for suppliers globally (palm derived surfactants)	to mill - 82% to plantation - 49% to refinery - 90%	mill - 66% plantation - 35%	–
LATEX			
100% latex volume for Durex is FRA accredited by end of 2023	43%	–	–
PAPER & BOARD			
100% of paper and board from certified or recycled sources, excluding third-party manufacturing sites by 2025	99%	99%	98%
Percentage of paper/board for co-packers from certified or recycled sources ²	98%	–	–
KRILL			
Percentage of krill MSC (Marine Stewardship Council) certified	100%	100%	–

* For the purposes of the table, all data has been rounded

1. Sufficient number of credits will be purchased to cover 2022 volumes as per RSPO certification requirements

2. Excluding North America co-packed products – to be included for 2023

BIODIVERSITY AND ECOSYSTEMS CONTINUED

Healthy ecosystems clean our water, purify our air, regulate the climate, provide essential raw materials and sustain communities. They are vital to us all. We value biodiversity and ecosystems, as well as the communities who manage the land that support them. We are trying to build understanding of them, so that we can protect them.

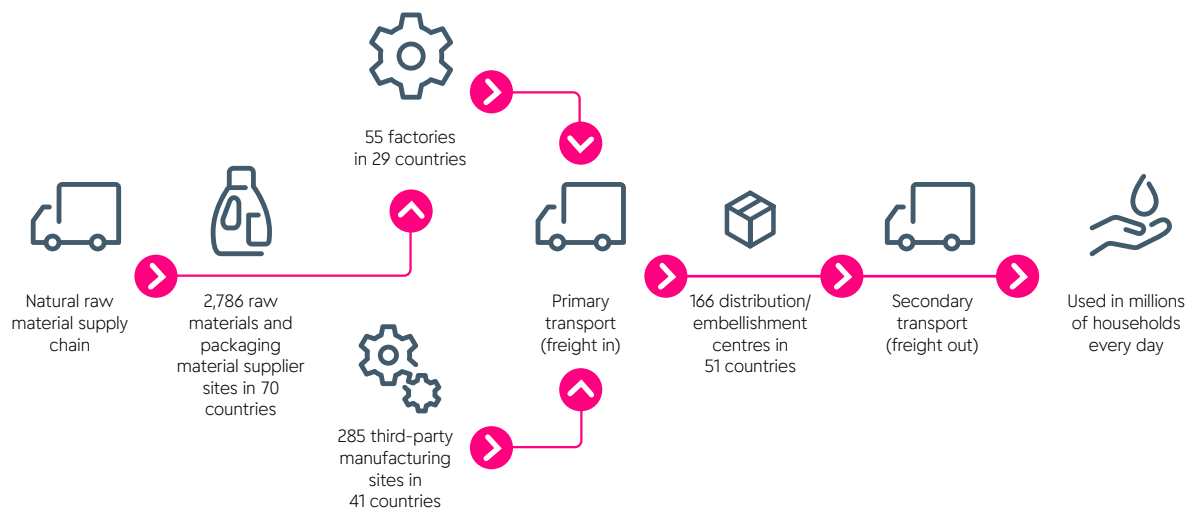
Global demand for raw materials puts pressure on the environment, wildlife and biodiversity. Preventing this and strengthening ecosystems is not simple. Recognising the impact of both our business and wider society, we're working to protect and progressively regenerate ecosystems in key value chains by 2030. By developing ways to measure our impact and taking action to reduce it, including introducing new nature-based solutions, we're aiming to support and future-proof our value chains.

We focus on the areas where we can have the most impact, and our priority commodities include latex, palm oil, natural fragrances, dairy and timber. We also consider other natural raw materials we typically use in smaller amounts, including soy and cocoa.

We design our products and encourage people to use them in a way that reduces the impact on natural resources. We also screen our products to prevent the risk of eco-toxicity. Through our Sustainable Innovation Calculator, we're able to assess our products' environmental footprint, both in terms of the materials we use and how people then use the products, and identify ways to reduce their impacts. For more information about this, see the [Sustainable Product Innovation Insight](#).

Our brands work to engage consumers and help them use fewer natural resources. For example, Finish has helped consumers save water through our #SkiptheRinse campaign which encourages people to not rinse their dishes before they go in the dishwasher. For more information about this, see the [Water Insight](#).

OUR PRODUCT SUPPLY CHAIN



Reckitt's supply chain is complex. We purchase from nearly 3,000 raw materials and packaging suppliers in 70 countries. These are manufactured into our well-known brands and used in millions of households every day.

Protecting biodiversity and ecosystems around our sites

We identify environmental impacts at our sites through our Environmental Risk Register. This considers the sites' proximity to any nature reserve or biodiversity-protected area. We assess sites on their environmental impacts, including those related to water and air emissions. Location and environmental impact combine to a site sensitivity score. We then assess management practices to give an overall management score. The two scores combined generate a total risk rating for each site which informs our actions for managing environmental impacts. Through this assessment, we've identified three sites (out of 50) in our Environmental Risk Register that are in close proximity to key biodiversity areas, which includes nature

reserves, protected areas or habitats, and sites of special interest, such as cultural heritage or sites of archaeological interest. We manage the impacts through our sites' environmental management system to avoid and mitigate effects on the local environment.

We are also working to reduce our water use in water-stressed areas, where our ambition is to make them water-positive by 2030, in the local water catchment area, river basin or zone of impact. Our approach involves water catchment area management that supports the local ecosystem and water resources for the future (for more detail see our [Water Insight](#)).

BIODIVERSITY AND ECOSYSTEMS CONTINUED

Protecting biodiversity and ecosystems in our supply chain

We rely on ecosystems for ingredients that go into our products. Our sustainable sourcing programme helps protect and support these ecosystems. Our suppliers and farmers are key stakeholders in protecting those ecosystems, with nature-based solutions that can also help tackle risks such as climate change. This, in turn, can have a positive social impact for the communities that also rely on these ecosystems. In 2021, we updated and relaunched our **Sourcing for Sustainable Growth policy** and **Natural Raw Materials (NRM) Sourcing Standard**, which set out our priority natural raw materials, our six guiding principles for sourcing, and the requirements for meeting them, which include:

1. **Understanding the origins of materials** – Knowing the geographical locations and ownership of producers and processors in NRM supply chains
2. **Safeguarding workers and communities** – Taking action to prevent exploitation of, and discrimination against workers in supply chains
3. **Protecting ecosystems** – monitoring and addressing any risk of harm to important and protected natural areas and species from the production or processing of NRMs
4. **Reducing environmental impacts** – Monitoring and trying to reduce greenhouse gas (GHG) emissions, water use, energy consumption and waste in NRM supply chains
5. **Animal welfare** – Making sure supply chains uphold the 'five freedoms' of animal welfare with animal-derived NRMs
6. **Partnerships** – Working with others to improve standards

Taking a science-based approach to our biodiversity roadmap

Since 2020, we've been working with Nature-based Insetting (Nbi), a spin-out of Oxford University Innovations. We're developing an analytical framework for assessing biodiversity, carbon and social impacts in five key supply chains, which include latex and palm oil. The framework includes robust, science-based metrics for biodiversity, resulting in a Biodiversity Impact Metric score (BIM) to quantify these impacts.

Using the framework, we're exploring the potential positive impact that different nature-based solutions could have in these supply chains. From 2023, we'll explore nature-based solutions with our suppliers and partners, considering how to incorporate them in our existing palm and latex programmes, and at the origins of other ingredients such as fragrances. This will protect, manage and strengthen biodiversity in our supply chains.

Collaborating with the Taskforce on Nature-related Financial Disclosures

We're members of the Taskforce on Nature-related Financial Disclosures (TNFD), which has developed a risk management and disclosure framework for organisations to report and act on evolving nature-related risks. We're involved in pilot testing activity, presenting a case study on our latex supply chain. This outlines metrics and how we're encouraging regenerative agriculture practices (also see the **Human Rights Insight**). We're currently working towards disclosure based on TNFD principles.

Collaborating for impact

As well as Nbi and TNFD, we also work with a number of partners to deliver and generate ecosystems and social benefits. For example, we work with WWF on a number of workstreams, such as on the Amazon and Ganges rivers. We are working with Earthworm and Action for Sustainable Derivatives (ASD) on raw material and country-level activities. In Cali, Columbia and British Columbia, Canada, we have afforestation and restoration projects ongoing.



SUPPORTING A HEALTHIER PLANET WITH RESTORATION AND AFFORESTATION

Recognising the value that forests bring to the environment and local communities, we've invested in afforestation projects in British Columbia, Canada and Cali, Columbia.

In Cali, Colombia, we have been working in partnership with the Colombian NGO, Amatea since 2011 to restore the forests around the Cali river. We identified that our afforestation area is a biodiversity hotspot which was at risk from human activity.

Our programme focuses on improving the local water supply, capturing carbon, improving biodiversity, and supporting community employment. We've planted over 30,000 trees, covering 33.5 hectares. In Colombia, it is mandatory for all companies to plant two trees per employee per year from 2023 to support the national target of planting 180 million trees. This is to support national water, biodiversity goals, as well as Columbia's 2050 carbon neutral target. We have around 300 employees in Cali, and we'll continue planting trees to increase the impact of our Reckitt forest in the Cali river basin where our manufacturing site is based.



In British Columbia, our Trees for Change programme began planting trees in 2006. Since 2015, we've been maintaining the new forest and local landscape, and have been focused on being a "good neighbour" to the local community.

BIODIVERSITY AND ECOSYSTEMS CONTINUED



PROTECTING AND RESTORING FRESHWATER HABITATS IN THE GANGES

Together with WWF, we committed to protect and restore 1,800 km of the Ganges river and its tributaries in India to secure a healthy river for people and nature.

Hundreds of millions of people and a huge range of wildlife species rely on the Ganges. But it's facing a number of threats. Pollution, damming and the removal of too much water, mostly for agriculture, have affected the river's flow and health.

One of the river's most at-risk species is the Ganges river dolphin. Numbers have dwindled from tens of thousands to under 2,000.

In 2022, our work included collecting and analysing water samples to inform wetland restoration planning. We also worked with farmers to encourage more sustainable practices, including producing natural fertilisers and pesticides. And we've established a network of volunteers to report on dolphin species, threats and habitat changes to build overall knowledge. As well as this, various industries are using water flow meters to help save water.

In 2023, we're aiming to meet our target of protecting and restoring 1,800 km of the river. This involves collaborating with governments and communities to protect species of dolphins, gharials (a type of crocodile), freshwater turtles and

Mahseer fish. With local communities, we hope to shape conservation action that supports livelihoods and economic opportunities.



WWF AND FINISH: REPLENISHING FRESHWATER ECOSYSTEMS IN NORFOLK

This project, which started in January 2022, aims to improve water quality and replenish 500 million litres of water in Norfolk, UK. A drier climate and increasing demand for water are putting a strain on water resources in the region.

The project focuses on:

1. **Freshwater species** – Reintroducing extinct burbot (a species of fish) into a Norfolk catchment, including restoring the habitat and continuing river water quality works.

WWF has identified habitat improvements and facilities to rear the burbot before they're released.

2. **Water-focused, nature-based solutions** – Contributing to a unique Systematic Conservation Plan for the region, and supporting water-focused nature-based solutions in Norfolk.

We've agreed to focus on two catchments initially, as well as the overall funding strategy. We've also built an interactive platform for Norfolk Water Hub to capture current and future projects and nature-based solutions proposals, as well as share the findings of water modelling.

3. **Constructed wetlands** – Delivering nature-based solutions to reduce the impact of small-scale sewage works, including tackling phosphates from domestic sources.

We've identified three wetland sites, and work has already started on one constructed wetland.

In 2023, we'll continue working to establish the fish-rearing site for burbot, finalise consents for transporting and reintroducing fish, deliver on the catchment plans and monitor nature improvements once wetland construction is complete.



BIODIVERSITY AND ECOSYSTEMS CONTINUED

Our approach to natural raw materials

PALM OIL

Palm oil uses less land and produces a higher yield of oil than similar crops, for a lower cost. It's also highly versatile. But global palm oil production continues to be linked to deforestation and degradation of ecosystems, including peatland.

Despite using relatively low volumes of palm oil, we still have a role in reducing the impact of cultivation. As part of this, we're committed to a No Deforestation, No Peat, and No Exploitation (NDPE) approach as part of our responsible sourcing policy for the palm oil supply chain. Our approach centres on traceability from direct supplier to plantation, enabling us to identify risks and take action to protect ecosystems and safeguard workers and communities.

In 2022, fats blends and soap noodles accounted for 83% (155,942 metric tonnes (mt)) of our total palm oil volumes, where palm derived surfactants accounted for the rest, at 17% (31,759 mt).

Understanding palm oil origins

We work with suppliers and partners to improve the transparency and traceability of our palm oil supply chain. We mainly use processed derivatives of palm oil, where traceability is challenging given the scale of palm oil production landscapes and the significant degree of processing involved in three main uses. Fats blends are used in Infant Formula, soap noodles are used to make soap bars and palm derived surfactants are used in disinfectants. To understand supply chain risks and where to focus most activity, we work with partners to identify the farms, plantations and processing mills that supply the palm oil used in our products.

In 2022, we sourced 110,938 mt of crude palm oil (CPO) and 47,751 mt of palm kernel oil (PKO) by buying these materials from our suppliers:

- **Fats blends** containing 10,887 mt of CPO
- **Soap noodles** containing 99,959 mt of CPO and 16,085 mt of PKO
- **Palm derived surfactants** containing 92 mt of CPO and 31,666 mt of PKO

Fats blends and soap noodles

In 2022, we improved supply chain traceability, where overall traceability to mill is 99% and 81% to plantation. For the palm oil in the fats blends, traceability to mill is 100% and 94% to plantation. For soap noodles, traceability is 99% to mill and 80% to plantation.

Mill list

Each year, we update and publish a list of the palm oil processing mills of fats blends and soap noodle suppliers which we've identified in our supply chain, their location, certification status and ownership. We publish our mill list online, which can be found [here](#).

Palm derived surfactants

We're working with Action for Sustainable Derivatives (ASD), where buyers of palm oil collaborate to improve traceability and strengthen standards in the supply chain. ASD also helps us understand the palm oil origins for our surfactant raw materials. In 2022, work by ASD improved traceability in our surfactant supply chain to 90% of refineries (69% in 2021), 82% of mills (66% in 2021) and 49% of plantations (35% in 2021).

In 2023, our work with ASD will continue, to:

- Increase traceability and visibility of connections within our supply chain
- Engage surfactant suppliers to support NDPE implementation
- Verify whether deforestation is occurring within our extended supply chain through application of satellite monitoring to meet EU regulations
- Work to manage grievances collectively as an industry
- Participate in sectoral efforts to resolve issues regarding accessibility of RSPO Mass Balance palm oil

Monitoring No Deforestation, No Peat and No Exploitation (NDPE)

We use a range of tools to monitor NDPE in palm oil production landscapes. They help us stop materials producers and processors failing to deliver on our standards, or put right any cases we can't prevent. Currently, we're focusing on our fats blends and soap noodles supply chains as these account for around 80% of our total palm oil footprint. As our activity matures, we'll expand it to palm derived surfactants.

Satellite monitoring

In Indonesia and Malaysia where we source the majority of our palm oil, we use real-time satellite analysis through Earthworm and Airbus's Starling platform to pinpoint deforestation and peat destruction in the likely sourcing areas of mills in our suppliers' supply chains. We receive quarterly progress reports on individual suppliers' no-deforestation verification and work with them to increase the percentage of palm oil volume in their supply chain that's verified as not grown on deforested or peat areas. This involves strengthening traceability to plantations where it doesn't already exist and investigating potential deforestation alerts to prevent palm oil grown on deforested and peat areas from entering our supply chain.

In 2022, 44% of the palm oil used in fats blends and soap noodles was from verified deforestation-free sources. In 2023, our target is for 54% of the palm oil and derivatives to be from verified deforestation-free sources.

The percentage of palm oil linked to deforestation and peat destruction is low (0.03% for fats blends and 3.4% for soap noodles). This gap is largely due to missing traceability data rather than confirmed deforestation. We're engaging with suppliers twice a year to increase visibility, and to close the traceability data gap.

Supply chain monitoring systems

We work with our suppliers to assess management systems that monitor NDPE compliance in upstream supply chains. We're deploying tools through Earthworm to build a comprehensive picture of performance and identify how best we support our suppliers to meet our standards.

The tools include:

Engagement for Policy Implementation (EPI)

This gives us an understanding of direct suppliers' policies, processes and progress on NDPE implementation, which allows us to engage in a targeted way to improve performance. In 2022, we worked with four of our major suppliers covering around 53% of the palm oil we source. Two suppliers scored over 70%, with a moderate rating. In 2023, we will complete EPI for our suppliers based in India.

BIODIVERSITY AND ECOSYSTEMS CONTINUED

Implementation Reporting Framework (IRF)

This is a self-assessment tool that categorises supplier palm oil volumes based on the risk of deforestation and peat destruction. The categories are based on the actions each palm oil mill takes to reduce risk and they give us a standardised way to report on how mills are tackling deforestation and peat destruction. In 2022, we piloted the IRF with two major suppliers. The results demonstrated the suppliers' progress in working towards no deforestation or peat in their directly managed facilities. We will use these results in supplier meetings to further drive no deforestation or peat destruction and will continue to expand to more suppliers going forward.

Making a positive impact on landscapes

As well as helping suppliers meet our standards, we support landscape-level and jurisdictional approaches to further our NDPE approach and go beyond prevention and have a positive impact on forest ecosystems.

Through our partnership with Earthworm, in 2022 we supported programmes in three palm oil landscapes in our supply chain: Riau and Aceh in Indonesia, and Sabah in Malaysia. These production landscapes are high-priority sourcing regions for palm oil and other commodities for multiple companies. They're also areas known for significant environmental and social challenges, and where there's potential for positive environmental and socio-economic impacts by working with others.

These programmes bring together stakeholders including businesses, governments, producers and local communities. They aim to build sustainable, holistic approaches to managing production landscapes with measurable objectives that bring transformational change in line with our Natural Raw Material Sourcing Standard. We aim to reduce deforestation rates by tackling some of the key socio-economic drivers, for instance by working with smallholder farmers to develop better agricultural practices and diversify incomes to improve livelihoods. These programmes cover 21% of the palm oil mills in our supply chain.

Key highlights across our landscape programmes in 2022 include:

Aceh

- Three villages passed regulations to protect 7,485 hectares of forest areas. The regulations mean the villages' management team will monitor the protected areas in the forests

Riau

- Three villages passed regulations to protect 59,668 hectares of forest areas, including action plans to protect natural resources
- Staff from 16 palm oil companies and representatives from the Office of Manpower, Office of Agriculture and the Regional Planning Agency attended Earthworm's training on child labour, fair target-based wages and payments, and employment of casual workers
- 321 of the 341 farmers who received the Good Agricultural Practices training in 2022 are part of the replanting programme, which was delivered in six villages through six cooperatives

Sabah

- A collaboration with the state's labour department saw five awareness sessions on forced and child labour from 341 palm oil companies. The sessions aim to build companies' skills in managing and mitigating risk



ENGAGING OUR INDIAN PALM OIL SUPPLIERS TO INCREASE TRACEABILITY

After a town hall hosted by our Chief Procurement Officer in 2021, we held regular meetings with our palm oil suppliers in 2022 to monitor our commitments and NDPE requirements. The aim is to drive progress against important areas like traceability and grievance management. As part of the initiative, in October, Reckitt organised a joint session with I-SPOC (India – Sustainable Palm Oil Coalition for India) and Earthworm to understand supplier challenges achieving traceability given the complexity of Indian palm value chains. We will be building on this work in 2023 supporting our suppliers in India to identify and address the barriers to achieving full traceability in our supply chains.



BIODIVERSITY AND ECOSYSTEMS CONTINUED

Managing grievances

Given the scale and complexity of our palm oil supply chain, a transparent and accessible process for reporting environmental or human rights violations is essential. This allows us to investigate further and remedy grievances appropriately. In 2022, we developed a formal **[grievance procedure](#)** that outlines our approach, and we **[publicly log](#)** and respond to the grievances raised. We also worked with Earthworm and ASD to better manage grievances.

The ongoing challenges surrounding smallholder community engagement on farming and the contract use of their lands by plantation companies forms part of our review process. Commonly known as plasma, the approach is recognised in Indonesia but has seen grievances raised by communities against companies for non-payment or other concerns. The plasma scheme requires those establishing palm plantations to meet clear legal obligations to local communities – for example through a share of the planted area, or an agreed alternative. This system aims to ensure local people and their communities benefit from palm concessions. Its implementation has been challenging, and local regulatory support is also needed to support its enforcement. Our responsible sourcing standard requires our palm suppliers to operate in “compliance with all applicable laws, regulations, and maintenance of necessary legal permits”, including the correct application of plasma systems. In 2022, we challenged suppliers to identify plasma non-compliances in their supply chain and to meet plasma obligations. We also encouraged industry engagement on the issue on the basis that this is a systemic challenge which no individual company can address alone. In 2023, we will continue to seek to identify plasma non-compliances with our suppliers, working together to address them in partnership with any affected local communities.

Increasing RSPO certification

We're members of the Roundtable on Sustainable Palm Oil (RSPO) and work with our suppliers that are RSPO members and committed to the same goals. In 2020, we renewed our commitment to RSPO certification with a target of having 80% of the palm oil used in our products by 2023 RSPO certified, using a combination of physically segregated oil and RSPO credits where certified, segregated oils aren't available. In accordance with RSPO certification requirements, we will purchase sufficient credits to cover our 2022 volumes and are on track to deliver our target.

We're also exploring the feasibility of sourcing RSPO Mass Balance certified palm oil used in palm derived surfactants by 2026, due to the challenges around availability of segregated oil.

Engaging with suppliers and working with industry

Given the systemic nature of deforestation and human rights issues in palm oil supply chains, our ability to change things alone is limited. We can only bring sizeable change through partnerships with our suppliers, peers and wider industry.

We collaborate with our direct suppliers to communicate our sourcing requirements and support our NDPE monitoring and interventions in our extended supply chain. We hold quarterly reviews with each fats blends and soap noodles supplier to monitor their NDPE progress and discuss how to improve. We also partner with the wider industry through our membership of the Consumer Goods Forum's **[Forest Positive](#)** and **[Human Rights](#)** Coalition of Action to remove deforestation and forced labour from our collective supply chains.



BIODIVERSITY AND ECOSYSTEMS CONTINUED

LATEX

Natural latex is the main raw material in Durex condoms. Our latex is tapped from rubber trees grown on commercial plantations and smallholder farms largely in Malaysia and Thailand, with a small amount from India.

Rubber farming faces many challenges, such as the trees' resilience to disease and increasingly acute weather patterns such as typhoons. We're working with our latex suppliers, farmers and tappers to protect and progressively regenerate ecosystems while promoting sustainable livelihoods for people and communities across our extended latex supply chain.

In 2022, we delivered on our commitment to pay a price premium for latex through the Fair Rubber Association (FRA), paying over €970,000 in 2022. The FRA organised farmers into the Sustainable Rubber Association (SRA), which now has over 1,000 members who share this premium. The SRA is investing the premium in activities that benefit the association's members, including schemes to increase household income and reduce the cost of organic fertiliser. They'll also invest in strengthening their own information technology and management systems.

We work with our partner, Earthworm, to support SRA members in Thailand. This year, Earthworm has trained 1,002 farmers on sustainable farming practices, and developed 42 demonstration plots to showcase best-practice farming techniques.

Earthworm also trained Human Elephant Conflict volunteers who patrol forest boundaries at night. They aim to stop elephants entering and damaging the trees.



CALCULATING OUR LATEX FOOTPRINT

In 2022, we took several steps to make our latex supply chain in Surat Thani, Thailand, more resilient. This included working with partners to gather data, including Earthworm who provided data at a farm level. To build awareness and understanding, we worked with Nature-based Insetting (Nbi), who produced maps to describe current biodiversity and estimated a landscape-level Biodiversity Impact Measurement (BIM). They also estimated the impact of our procurement patterns on biodiversity and greenhouse gas emissions in the areas where we source latex, and used this information to build a baseline for our impact on biodiversity in Surat Thani.

Next steps include interventions to improve our BIM score, guided by Nbi analysis. We'll also gather data to estimate farm-level baselines that will help us model scenarios and set a baseline for metrics and targets. We'll work with a network of academic experts to evolve the framework and share knowledge. We also intend to expand this work to our wider latex supply chain in the future.

Image: Photos credited to Martin Kunz, Fair Rubber Association



BIODIVERSITY AND ECOSYSTEMS CONTINUED

NATURAL FRAGRANCES

We work with suppliers directly and through partnerships to protect ecosystems enabled by traceability in our supply chains. With our Air Wick product range, we've worked with WWF to restore 1.2 billion square feet of wildflower habitats globally, as well as raising awareness of biodiversity and inspiring millions of consumers to act for nature.

Botanica, an Air Wick home fragrance, uses naturally derived ingredients, and with its responsibly sourced contents, minimal packaging (which boosts recyclability) and unique scent pairings, it lets consumers enjoy outdoor scents and be confident about how we manufacture the product. Air Wick's partnership with WWF aims to help restore wildflower habitats in 10 countries, including the US, UK, Mexico, Australia and Poland. By August 2022, we'd restored almost 2,000 hectares and conserved a number of plant species. Plans for each country look to meet the needs of the local environment. For example, in the US we've focused on Northern Great Plains reseeding, restoring nearly 1,200 hectares. In Mexico, we've focused on protecting the Monarch butterfly and other pollinators by preserving wild flowering plants in the Monarch Mexican Flyway and by engaging local communities in conservation.



THE RARE BLOOM PROJECT™: SAVING 120 NATIVE WILDFLOWER SPECIES FROM EXTINCTION

Australia's native wildflowers are being pushed to extinction by climate impacts including drought and bushfire. Air Wick Botanica is trying to help consumers appreciate and connect with nature, as well as protect native wildflowers for future generations.

Botanica's campaign, alongside WWF Australia and the Australian Seed Bank Partnership, is working to save 120 threatened native wildflowers by:

1. Collecting seeds from endangered species
2. Conducting germination trials and collecting data
3. Reintroducing species through replanting

We launched the campaign in 2020, working with Woolworths, where every Botanica product sold helped to donate up to \$50,000 towards the conservation of an endangered species of native daisy.

In 2022, we increased awareness and hosted an annual planting day at the Australian Botanic Garden. Here, Botanica and WWF Australia staff helped replant the Pink Flannel Flower (*Actinotus forsythii*). By August 2022, the project had supported 72 plant species – 60% of the overall target.



DAIRY

Although we don't buy milk from farmers, dried skimmed milk is an important ingredient in Infant Formula products. Compared with wider food use, and especially consumption of fresh milk, our supply chain is relatively small but nonetheless we've been working with our suppliers to make it progressively more sustainable. This year, we've continued to work with the Sustainable Agriculture Initiative's Sustainable Dairy Partnership (SDP), which we joined in 2018. This is a group of suppliers and industry peers working to make the dairy industry more sustainable.

Members convene to discuss challenges like greenhouse gas (GHG) emissions, human rights, deforestation and animal welfare, and identify opportunities and solutions to help address them.

Highlights in 2022 included:

- Encouraging suppliers to share sustainability reports to understand where their priorities are and identify where they can work together
- Participation in a working group on soy, as soy for animal feed is sourced from high-risk deforestation and conversion areas such as Brazil. While Reckitt does not directly purchase animal feed containing soy, it is used to feed the cows providing milk which we use for a number of ingredients. We recognise the risks that sourcing soy can create for ecosystems and joined the group to help develop solutions
- Developing activity for carbon data collection and sharing between suppliers and buyers to improve GHG emissions reporting

We'll continue working with SDP in 2023 and aim to:

- Publish a dairy appendix to our responsible sourcing standard, with sustainability criteria for all our dairy suppliers
- Review suppliers' SDP progress reports to understand progress on their sustainability priorities and see where we can collaborate to strengthen activity
- Build expertise to help us identify regional dairy supply chain priorities within key geographies

BIODIVERSITY AND ECOSYSTEMS CONTINUED

TIMBER (PAPER AND BOARD)

Three out of four Reckitt products use paper and cardboard packaging. In terms of absolute volumes, we use a small amount compared to some sectors, but we still want ours to come from sustainable sources. Our aim for 2025 is for all our paper and cardboard packaging to be recycled or from origins approved by the Forest Stewardship Council (FSC), the Programme for the Endorsement of Forest Certification (PEFC), or Sustainable Forestry Initiative (SFI). For primary packaging, like product cartons, we usually combine virgin paper from certified origins with recycled paper. For the boxes we use to transport products, we also use the highest practical percentage of recycled cardboard.

By the end of 2021, 99% of our paper and board was from certified or recycled sources and we still expect to reach our goal for 100% by 2025 or before. In 2022, we achieved 99% (98.8%) from certified or recycled sources, where a slight reduction (from 99.1%) was due to changes in the jurisdiction of FSC certification leading to less than 1% of our volume no longer qualifying for certification in 2022. We are working to resolve this challenge. Of the paper and board, 14% was from virgin sources, 53% from recycled sources and 33% from mixed sources. Of the virgin material:

- 46% had chain of custody certification
- 45% was from FSC sources
- 1% was from SFI sources
- 8% was uncertified and we are working to validate these origins

By the end of 2022, 98% of our paper and board used in our third-party manufactured products was from certified or recycled sources and we expect to reach 100% by 2025. This target excludes products manufactured in North America, which will be included from 2023.

1. 2022 data: timings for packaging-related data are driven by Ellen MacArthur Foundation (EMF) reporting. As a result, 2022 data will not be available until mid-2023, and would not normally be published externally until the release of the EMF report in November 2023. For the full set of metrics for EMF reporting and definitions, see the EMF report [here](#)

KRILL

We use a small amount of krill in MegaRed oil supplements, of which 100% is MSC certified. Krill oil supports human health but krill are also an essential part of the Antarctic food chain that includes penguins, seals and whales and plays an important role in mitigating climate change.

There are calls for more marine-protected areas in the Antarctic. There are similar calls for fishing companies to safeguard the marine ecosystem by treating regulations as a baseline and working to exceed them. To keep our krill sustainable, we work with our supplier, Aker BioMarine, because of their:

- **Third-party verification** – Their Antarctic fisheries are certified as sustainable by the Marine Stewardship Council (MSC)
- **Engagement with the Antarctic scientific community** – Aker BioMarine works with the Commission for the Conservation of Antarctic Marine Living Resources (CCAMLR), the body that regulates krill fishing and decides on conservation measures
- **Network of stakeholders** – Our supplier's decision to back a network of ocean sanctuaries in the Antarctic was important in strengthening political momentum to protect sensitive Antarctic waters
- **United industry approach** – Aker BioMarine was involved in creating the ARK group, which includes 85% of krill fishing companies. ARK has worked with the CCAMLR and others to develop a sustainable fishing approach that includes a voluntary agreement to restrict fishing in the buffer zones that protect penguin colonies in the breeding season

SOY

Each year, for our Infant Formula and Child Nutrition products, we source derivatives containing less than 7,000 metric tonnes of soy from eight suppliers. The origins of the soy in the derivatives sourced are:

- US – 70%
- Other locations – 30%

In 2022, despite a backdrop of supply chain sourcing challenges, we ceased to purchase soy from Brazil. We will continue to review this approach amidst the ongoing supply chain challenges. We'll also focus on improving traceability data and work with suppliers to meet our Natural Raw Material Sourcing Standard and continue to be part of the Sustainable Dairy Partnership working group on soy.

Looking ahead

Our nature-based solutions activity strengthens our work to protect and regenerate ecosystems. Our aim in 2023 is to complete the evaluation of our impacts in our key supply chains and develop measurable ways to reduce the risk to biodiversity and strengthen ecosystems in our most important supply chains. We'll focus on implementing the analysis of our palm and latex supply chains, as well as beginning analysis of other key raw materials.

In 2023, we'll move into the third phase of our partnership with Nbl, including targeted recommendations for our latex and palm oil supply chains.

By 2025, we'll have assessed five key natural raw materials to estimate risk, dependencies and opportunities for biodiversity.

We'll choose interventions to protect and strengthen biodiversity while improving the Biodiversity Impact Metric (BIM) in ways that make a positive and measurable impact on nature.

By 2030, we want interventions in all key natural raw material value chains that create demonstrable improvements in biodiversity and support the regeneration of local ecosystems. We'll add more detail to this ambition as our programmes develop and support our work to achieve the future recommendations of the TNFD.



OUR PEOPLE

Our culture starts with our people. We foster an inclusive environment where every employee is committed to doing the right thing, always – for our colleagues, customers, partners, and the wider global community.

OUR PEOPLE CONTINUED

2022 PERFORMANCE

	Business Area (excluding contingent workers)					Gender (excluding contingent workers) ³				Age (excluding contingent workers)				Contract type		
	Corporate	eRB & Greater China	Health	Hygiene	Nutrition	Total	Women	Men	Not recorded	<30 yrs	30-50 yrs	>50 yrs	Not disclosed	Permanent	Temporary	Third party contracts
RB employees (total number)	1,514	2,445	10,964	12,788	9,742	37,453	16,615	20,811	27	7,623	24,232	5,598	0	35,981	1,472	7,681
New hires (total number)	313	402	1,829	2,181	1,754	6,479	3,218	3,237	24	2,960	3,179	340	0	5,378	1,101	3,953
New hires (rate) %	21%	16%	17%	17%	18%	17%	19%	16%	89%	39%	13%	6%	0%	15%	75%	51%
Total employee turnover (total number) ¹	301	481	2,138	2,910	1,972	7,802	3,582	4,212	8	2,637	4,254	911	0	6,453	1,349	5,699
Total employee turnover (rate) % ¹	20%	20%	20%	23%	20%	21%	22%	20%	30%	35%	18%	16%	0%	18%	92%	74%
Voluntary leavers	206	307	1,366	1,644	1,166	4,689	2,196	2,489	4	1,440	2,729	520	0	4,361	328	2
Percentage of voluntary leavers %	14%	13%	12%	13%	12%	13%	13%	12%	15%	19%	11%	9%	0%	12%	22%	NA
Involuntary leavers	54	140	474	812	554	2,034	944	1,088	2	756	1,015	263	0	1,304	730	1
Percentage of involuntary leavers %	4%	6%	4%	6%	6%	5%	6%	5%	7%	10%	4%	5%	0%	4%	50%	NA

EMPLOYEE RATIOS

Board	100%	-	-	-	-
Executive Committee	73%	0	9%	9%	9%
Group leadership team	26%	3%	29%	26%	16%
Senior management team	15%	5%	32%	31%	17%
Global employees ²	4%	7%	30%	34%	26%

1. Employee turnover excludes Primavera divested employees

2. Numbers do not equal 100% due to rounding

Our respect for the right to freedom of association is set out in our global [Code of Conduct](#), and [Policy on Human Rights and Responsible Business](#).

We also respect all global and local collective bargaining laws. This means employees have the right to assemble, communicate and join associations of their choice, or not.

As of 31 December 2022, 23% of our employees were represented by an independent trade union or covered by collective bargaining agreements.

OUR PEOPLE CONTINUED

Our people are the heart of our business. Success in fulfilling our Purpose to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world depends on our colleagues. And creating an inclusive and supportive workplace is vital for them to perform at their best.

Leadership behaviours

Leadership is vital to how we embed our culture and achieve strong and sustainable performance. We've defined leadership behaviours that capture our uniqueness, capitalise on our strengths and challenge us to do better. At Reckitt, we Own, Create, Deliver and Care. These behaviours are for everyone in the organisation and are part of our annual performance and development reviews.

We want our leaders to know their business and 'Own' their decisions, while living our Purpose. 'Create' reminds us to relentlessly look for better results and seek out new opportunities that put people and consumers first. 'Care' is about being concerned for our colleagues and the world around us. We speak directly and respectfully, while actively involving, including, and listening to other voices and being ready to learn from them. 'Deliver' encapsulates our commitment to getting things done. We act boldly and with purpose. Getting results and joining forces to achieve goals is more important than personal kudos.

In 2022, we expanded our Leadership Behaviours Assessment to 1,500 of our most senior people leaders. As part of this process, leaders get 180° feedback from their managers and teams on their leadership behaviour, reinforcing our open feedback culture. We reinforce these behaviours through our leadership development curriculum, Employee Engagement Survey, and personal development tools.

In our annual all-employee engagement survey in August 2022, 74% felt a positive impact from our strengthened leadership behaviours. We'll keep focusing on behaviours as we work to embed authentic, purposeful, inclusive and high-performing leadership at all levels of the business.

OUR PURPOSE

We exist to protect, heal and nurture in the relentless pursuit of a cleaner and healthier world.

OUR FIGHT

We have a fight on our hands. A fight to make access to the highest-quality hygiene, wellness and nourishment a right, not a privilege.

OUR COMPASS

Our Compass guides our business. At its heart is the goal of doing the right thing. Always. We put consumers and people first, seek out new opportunities, strive for excellence and join forces to win bigger and build a culture of shared success.



OUR LEADERSHIP BEHAVIOURS

Our culture aims to empower our people to always bring their authentic self to work so they can operate at their best. This is articulated in our Leadership Behaviours, which set out our expectations about how we behave. Everyone at Reckitt, not just our leaders, is expected to Own, Create, Deliver and Care. These behaviours define how we operate and how we make decisions.

Own

- Live our Purpose, Fight and Compass
- Know our business cold
- Make decisions

Create

- Spot opportunities
- Innovate, iterate and scale
- Relentlessly build better

Deliver

- Focus on what matters
- Move boldly and at pace
- Join forces to win bigger

Care

- Actively listen, learn and include
- Speak direct with respect
- Act to unleash potential

OUR PEOPLE CONTINUED

Setting standards for our whole business

We give our people the freedom to succeed, and we celebrate our entrepreneurial culture, but always within a clear framework. Our expectations and policies set our global standards.

➤ There's more about these in our Code of Conduct, and in our [Health, Safety and Wellbeing](#), and [Inclusion](#) Insights

Empowering our colleagues to make a difference

Our diverse team of around 40,000 includes people of all ages, backgrounds, identities and beliefs, coming from more than 120 nations. This diversity is a strength that enriches our thinking and our actions. We sustain it by promoting an inclusive culture where everyone is heard, every voice matters and everyone contributes.

We speak directly, but with respect, and foster honest conversations between colleagues. We actively try to find out what's on our people's minds and what they need, whether that's through in-depth conversations or Group-wide surveys, and we act on what we hear.

In 2022, we continued to establish grassroots networks of under-represented communities with shared characteristics or life experiences through our ERGs. These help people support each other and share the challenges they face with the wider business to increase awareness and foster empathy.

In 2022, we launched our Disability ERG to raise awareness of disability and how to support employees who have disabilities or care for friends or family with disabilities.

We now have four ERGs:

- **Women@Reckitt**
- **LGBTQ+@Reckitt**
- **Race & Ethnicity**
- **Disability**

➤ For more information on our ERGs, see our [Inclusion insight](#)

Workforce Disclosure Initiative (WDI)

The WDI seeks to improve corporate transparency and accountability on workforce issues, providing investor signatories with comparable company data. Greater transparency and an understanding of this data helps to drive international standards and demonstrate publicly

that workforce practices are delivering for both the company and its workers. For our 2022 WDI survey, we were placed in the top quartile of more than 170 WDI companies for transparency in sharing information on pay, contract types, diversity and supply chains, with a score of 83%, compared with the 73% industry average.

Communication

The challenging working environment of the last three years has emphasised the importance of internal communication and engagement. Our senior leaders encourage communication as a way to build connections and understand our strategy and direction. It also helps us understand our people's concerns.

Our CEO, Nicandro Durante, sets the tone. Virtual global townhalls include a live-streamed Q&A section accessible to all employees. Nicandro also hosts informal townhalls in person, allowing employees in different markets to hear from him directly, raise questions and make sure they understand the strategic direction for the business.

Our GEC members host quarterly townhalls with their specific areas to make sure we continue the conversation around purpose, people, and performance throughout the business.

We support global communication with content and conversation on our intranet, Rubi, and in 2022 we introduced Workplace, a richer more tailored communication platform for employees.

Listening to our people

We ran our employee engagement survey in August 2022, using the LinkedIn survey tool, Glint. We included the same questions as in 2021, to enable year-on-year comparisons.

83% of employees responded to the survey. Over three quarters (76%) agreed they would 'recommend Reckitt as a great place to work'. More than eight out of ten said they're personally committed to making access to the highest-quality hygiene, wellness, and nourishment a right, not a privilege. Overall, our people are proud to work for us, identify strongly with our culture of achievement, and appreciate our investments in wellbeing and sustainable high performance. They also believe our leaders are performing well, especially when it comes to integrity, purpose and speaking directly with respect.



RECKITT 2022 GLOBAL AWARDS

In December 2022, we held our Global Awards and the Company gathered virtually to join an in-person audience at our headquarters in Slough, UK. The Awards were presented by the Group Executive Committee (GEC) and celebrated the extraordinary achievements we've made this year. At the event, we also announced the winners of this year's Global Compass Awards and the Sir James Reckitt Award. Hosted by our CEO, Nicandro, we presented awards to teams who had demonstrated the Reckitt principles to a stellar standard, which included, 'do the right thing. Always', 'seek out new opportunities', 'strive for excellence', 'build shared success' and 'put consumers and people first'.

The most prestigious award, the Sir James Reckitt Award, went to all of our employees who supported our US Infant Formula Response. It was a truly global and cross-function effort which stepped up to support US families following a product recall and temporary factory closure from another manufacturer, which dramatically reduced the overall supply of infant formula in the US. As shortages spread across the country, we ramped up operations and worked around the clock to produce more formula and get it to store more quickly. Also, we imported millions of servings from our factories abroad, while always adhering to the highest safety and quality standards.



OUR PEOPLE CONTINUED

The survey also highlighted where we can improve. For example, while our people support our push for inclusivity, they also want more equal opportunities for development and better recognition of their efforts.

The Board ran formal listening sessions with employees in September 2022 to discuss topics like inclusion, consumer focus, innovation and R&D, business transformation and sustainability.

We regularly check in with our employees through townhall meetings and our intranet. And we hold forums, focus groups and listening sessions with leaders to give us timely insights on topics which matter most.

Our confidential online and freephone service, Speak Up!, is a safe, trusted channel for employees to raise concerns about violations of our policies and any unethical behaviour.

> For more information, see our [Ethical Behaviour Insight](#)

Supporting and enhancing our colleagues' wellbeing

With global events, such as COVID-19, the cost of living crisis and increased strain on public health services putting unprecedented strain on people's mental health, our employees' personal and professional wellbeing is more important than ever. This year, we focused on two main goals. We wanted to give all our people the mental and physical resources to thrive, by building awareness and resilience through self-care and education. We also sought to make our leaders as resilient as possible, to help them sustain performance, individually and collectively.

To help achieve this, we teamed up with Hintsia, a global leader in wellbeing and high-performance coaching, and Heart on My Sleeve, a not-for-profit organisation that focuses on mental wellness. Together, we delivered bespoke wellbeing resources, including one-to-one and group performance coaching, training, social learning events and access to help through digital apps. We also hosted a series of global conversations on mental health, attended by more than 10,000 colleagues.

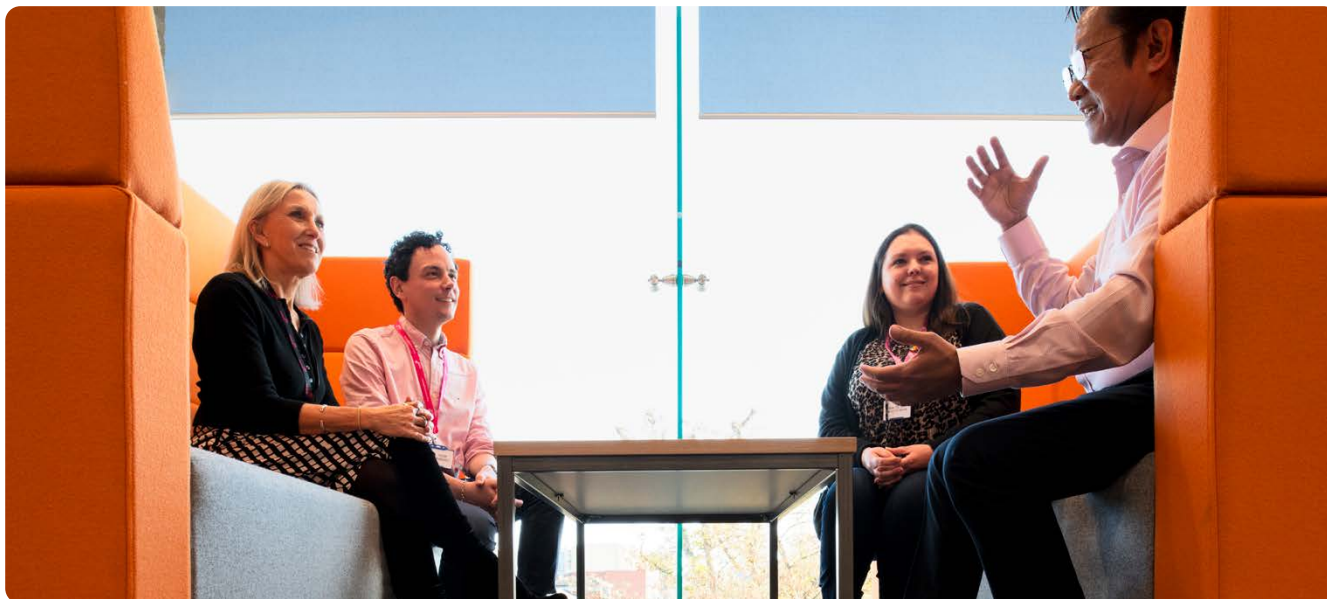
In 2022, we enhanced our Wellbeing Hub, a virtual collection of resources including online tools, guides and videos, as well as material on specific topics from sleep to sustainable high-performance leadership.

Working flexibly

After lockdown our people have started to return to the office safely and we've been flexible in supporting them to work in new ways, while keeping abreast of emerging issues in particular markets.

We're helping our people navigate the changing workplace with:

- **Updated hybrid working guidance**, launched in November 2022. Among other things, this helps us make best use of our offices, and keep face-to-face meetings productive and stimulating. As we balance hybrid ways of working, we continue to follow our 4Cs principles:
 - **Connecting and collaborating to build a stronger sense of belonging** – Being together in the office reminds us that we're all collectively part of a global Reckitt team focused on our Purpose and Fight
 - **Coaching and learning from others** – People need to be able to interact directly and personally. This is particularly important for new colleagues who want to build their network and learn about Reckitt, those who have changed roles or teams, and those who are early in their careers
 - **Creating to improve decision making, speed and innovation** – By meeting people in person and interacting with them quickly, and by creating the time and space to be together, to share ideas and have some fun!
- **Our Employee Assistance Program (EAP)** – A programme to offer employees in each country confidential, anonymous, and impartial advice on topics from mental health to financial challenges through web resources, as well as local language telephone support from professional advisors
- **Wellbeing Hub** – Bringing together our resources to support our people's physical and mental wellbeing, including practical advice, tools and education for all. We also offer all our people leaders individual and group coaching to support them in taking care of themselves and their teams



OUR PEOPLE CONTINUED

Developing our people

Dialling up the development of our people has been a strategic focus for 2022. It's critical that we have the right skills, capability, and behaviours to achieve our Purpose and empower people to perform at their authentic best every day. On-the-job learning and continuous development take place throughout the year, with all employees having a formal annual Performance Development Review with their line manager to discuss business objectives and create a Personal Development Plan. This is also an important opportunity for employees to discuss their ongoing development and career ambitions. We encourage continuous development conversations throughout the year. These annual reviews also provide a way of identifying candidates for our Future Leader Development Programmes.

We believe in helping our people grow and develop through experience, moving colleagues to new roles and markets. With global mobility more restricted during lockdowns, we made sure people moving under our International Transfer Policy travelled only when it was safe. To support their moves, we offered benefits like international healthcare, international pension, school fees, tax return support and home leave.

We provide an extensive range of learning opportunities accessible through our digital learning platform including: workshops, programmes, e-learning and coaching. We have both Functional Development Academies and Leadership Development programmes to support people's holistic development at all levels of the organisation. We now have 10 Functional Academies across our commercial and global functions.

"DIALLING UP THE DEVELOPMENT OF OUR PEOPLE HAS BEEN A STRATEGIC FOCUS FOR 2022."

Supporting young people to live our Purpose

The Reckitt Global Challenge asks university students to come up with a business idea, based on a Reckitt product, that shows performance and profitability and is rooted in a social purpose. Established nine years ago, it's become an important graduate engagement tool, especially in markets such as India.

Since 2014, over 100 of Reckitt's high potential young leaders have attended the annual One Young World (OYW) global summit to discuss and tackle critical social, environmental and human challenges with other youth leaders from the worlds of business, civil society and the public sector. On their return to Reckitt, delegates are encouraged to share their experience with colleagues, and given the support to turn their learnings into action.

Reward and recognition

Benefits

Some of our benefits, such as pension and medical care plans, annual health checks, and health, accident, and disability insurance, give employees and their families peace of mind and stability. We also offer life insurance for all our employees. Other benefits, like bonuses and long-term incentives, are linked to individual and Company performance.

Benefits vary depending on location and we review them regularly to make sure they're locally competitive. For example, we offer our pension scheme to more than 80% of our employees. There might be exceptions in markets where there's a state pension or where employers don't commonly offer pensions. Our global parental leave policy provides 26 weeks' paid and 26 weeks' unpaid maternity leave, and four weeks paid and four weeks' unpaid paternity leave. The policy recognises all types of families, and the same principles apply to LGBTQ+ employees, as well as adopting and surrogacy families.

Our rewards and benefits align with our diverse and inclusive culture. In 2022, our Board reviewed our salary structures, incentives and benefits, taking into account the views of management and employees. We also shared details of how we set executive pay, giving employees the chance to ask any questions.

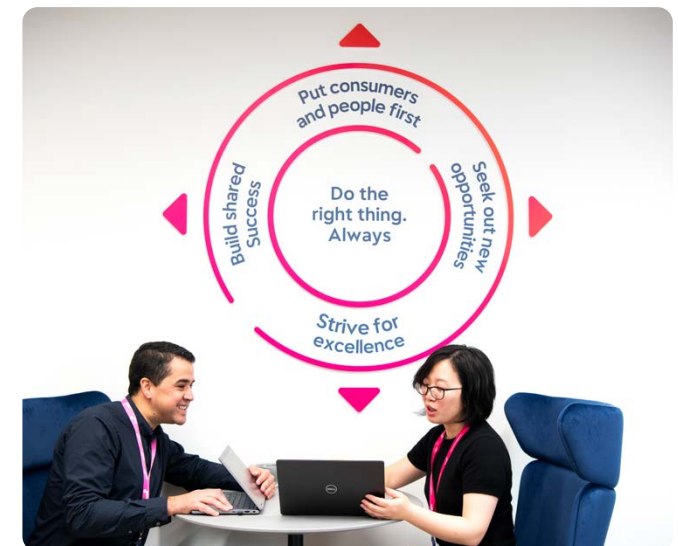
Salary and bonus

We pay our employees based on performance. We reward on-target performance with total cash (i.e., salary plus bonus), but offer a high proportion of variable pay to encourage outstanding performance and give an incentive to create long-term stakeholder value. We pay employees in relation to their role and location, taking account of internal pay equity, pay ranges and external market benchmarks.

- Line managers decide salary increases based on factors like individual performance and local market practice. We also consider local factors including inflation
- Our Annual Performance Plan covers more than 16,000 employees across the business, linking individual bonuses to Reckitt's financial performance. It incentivises employees on net revenue and a profit measure, which varies based on role. Some roles have a third measure related to market share, net working capital or innovation
- We also have local bonus plans, for example for employees in sales and factories

➤ For more details on how we pay our executives, see our [2022 Annual Report](#)

➤ For details on gender pay, see our [Inclusion Insight](#) and [Gender Gap Pay Report](#)



OUR PEOPLE CONTINUED

Supporting our employees through the cost of living crisis

Faced with the particularly challenging economic environment last year, we rolled out a global framework to support markets in giving our people extra financial reward (one-off appreciation bonus or salary increase). This recognised their ongoing commitment, demonstrated our care for them, and acknowledged the increased burden of the rising cost of living. A total of 34 markets participated in the framework with an overall spend of £15.8 million across approximately 18,000 employees below senior management level. For example, focusing on the UK, in September 2022 we made a one-off payment of £1,250 to all Reckitt employees (including permanent employees, those on a fixed-term contracts and those on unpaid leave), excluding members of our senior management teams. This ad-hoc payment was on top of the usual salary, benefits and bonus that employees are eligible for.

We have also been an accredited Living Wage Employer in the UK since 2020. As such, we'll apply the new Living Wage of £10.90 in 2023 and pay at least this rate to all our employees and contractors in the UK. In 2021 and 2022, we went beyond just the Living Wage and developed our Sustainable Livelihood Framework. This captured broader work on providing a working environment that promotes health and wellbeing, equality, employment rights, long-term financial security, and skills development to support ongoing career development for our people.

As part of the Sustainable Livelihood initiative, we reviewed our top 10 markets in 2022, which covered 25,665 employees (67% of the total full-time employee population). Of these, only 38 employees were identified to be paid below the Living Wage for their country and all were within 4% at the time of the study. We've addressed this now and we will roll out the approach to all our markets.

Sustainable livelihoods

To support sustainable livelihoods in our supply network, we're looking at how pay relates to the local cost of living. We're focusing first on places with the biggest risk of workers not having a sustainable livelihood. While this doesn't typically apply to our own teams, in some countries where we also use local contractors for temporary work, we want to make sure they're not affected. We assessed pay for contractors in manufacturing sites in India and Thailand, comparing it with the local cost of living and internationally recognised living wage frameworks. This showed we were paying above the local cost of living. We'll assess other countries in the same way but are also looking at how we can improve conditions for contractors, for example where jobs become more routine, by bringing them into our team as permanent employees.

Share ownership

Our award-winning, all-employee share plan fosters a culture of ownership among our people. It gives them the chance to save over a three-year period to buy Reckitt shares at a 20% discount to the share price at the start of this period. They can save anything from £10 to £500 and the scheme is risk-free, as people can take back the amount they've saved at any time. A total of 45% of Reckitt employees globally take part in one of the three share plans on offer. Over the last three-year period (2020–2022), around 4,500 employees saved a total of £31 million to buy Reckitt shares, making a gain of around 23% (based on the average closing price in the last quarter of 2022 of £58.22).

Looking ahead

In 2023, we'll continue to focus on developing our people and creating a learning culture. Our ERGs and Stronger Together conversations are solid foundations in building a more inclusive culture. We'll keep striving to make our culture more inclusive, and to continually improve how we measure our progress. Becoming a more diverse and inclusive organisation is central to our goal of 'doing the right thing. Always'.

"WE GIVE OUR PEOPLE THE FREEDOM TO SUCCEED, AND WE CELEBRATE OUR ENTREPRENEURIAL CULTURE, WITHIN A CLEAR FRAMEWORK."



INCLUSION

Our global workforce represents different nationalities, ages, backgrounds, identities and beliefs. We strive to make both our company and wider society an inclusive environment, where everyone is treated fairly and equitably, where every voice is heard and every individual matters.

INCLUSION CONTINUED

2022 PERFORMANCE

Our ambitions	2022 progress ²	2021	2020
An inclusive culture where everybody is treated fairly and equally			
Gender balance at all management levels by 2030:			
50% of managers female ¹	50%	49%	-
50% of senior management team female	32%+	29%	30%
50% of Global Executive Committee and direct reports	28%	26%	-
Other inclusion metrics			
GENDER			
Percentage of women on Group Board	33%+	42%	42%
Percentage of women across global employees	44%+	44%	44%
Percentage of women on Executive Committee	18%+	9%	17%
Percentage of women on Group Leadership Team	21%+	19%	19%
Percentage of women in senior management team	32%+	29%	30%
Percentage of women in junior management positions	54%	54%	53%
Percentage of women in revenue generating positions	44%	42%	49%
Percentage of women in STEM-related positions	55%	55%	56%
NATIONALITIES ³			
Number of nationalities on Group Board	7	-	-
Number of nationalities across global employees	125	120	127
Number of nationalities on Executive Committee	7	7	8
Number of nationalities on Group Leadership Team	13	12	15
Number of nationalities in senior management team	48	50	52

Data reflects workforce demographics on the last day of the Company's financial year (31 December).

* Assured by ERM CVS as part of their limited assurance scope; for details, see our [Sustainability Governance, Reporting and Assurance Insight](#)

1. Manager Levels included: Executive Committee Member, Group Leadership Team, Senior Management Team, Middle Manager, Manager

2. All employee figures exclude employees from IFCN China following its sale to Primavera Capital Group and Scholl to Yellow Wood Partners.

3. % nationalities share of total workforce (Within each nationality, % in management positions, including junior, middle and senior management)
USA: 11.8 (16.2), India: 10.5 (7.3), UK: 9.90 (13.1)

INCLUSION CONTINUED

WHO WE ARE



Leadership

Senior level focus and sponsorship



People

Build a culture of inclusion



Policies

Ensure our policies are inclusive by design

WHAT WE DO



Procurement

Support suppliers from diverse and minority communities



Brands

Leverage the power of our brands to drive a more inclusive world



Partnerships

Build selective partnerships

Our inclusion strategy focuses both on who we are as a business and the role we play in society. The work we're doing on leadership, people and policy helps make sure we're building an inclusive culture internally. Externally, by putting inclusion at the heart of our approach to procurement, brands and partnerships, we align what we do with who we are.

Evolving our culture

We're evolving our culture to reflect our Purpose and customer focus. The cultural change underway at Reckitt builds on our best qualities. We've always been known for our dynamic culture, and we're united by a shared sense of ownership and a drive for achievement. People take responsibility for making things happen. And we combine a focus on delivery and innovation with a strong sense of purpose and responsibility to help us make a real difference in the world.

We take care of each other and recognise we all have a part to play in making access to the highest-quality hygiene, wellness and nutrition a right, not a privilege. An inclusive, dynamic and collaborative culture is at the heart of our strategic transformation.

Our Global Inclusion Board

Leaders have a powerful role in changing culture. Our Global Inclusion Board is chaired by our CEO, Nicandro Durante, and one of its workstreams focuses on driving greater leadership accountability. It comprises 10 senior leaders and sponsors of our global Employee Resource Groups (ERGs). Our Inclusion Board drives our inclusion agenda and is accountable for governance, strategic delivery and monitoring, as well as reporting and communicating progress.

Our ERGs cover gender balance (women@reckitt), LGBTQ+, race and ethnicity, and disability. Each is sponsored by a senior leader who represents them on the Inclusion Board, along with various functions and regions. This enables the Board to make inclusive, informed decisions based on our people's needs.

The Global Inclusion Board is accountable for the delivery, governance, monitoring and reporting of our inclusion agenda.

NATIONALITY ACROSS RECKITT EMPLOYEES 2022

125

Our employees at all levels represent 125 different nationalities.

48

Globally, our senior leadership community is made up of 48 nationalities, representing a broad background of skills, cultures and experience.

7

Executive Committee, the most senior management level at Reckitt, includes 7 different nationalities.

We have around 40,000 colleagues worldwide, with 125 different nationalities, operating in 68 countries in six continents, each with their own unique story and perspective, shaped by their individual experiences. Together, we're part of a global community that, guided by our Compass and leadership behaviours, has the power to care and 'do the right thing. Always'.

We're creating an environment where all our people feel able to participate fully, to be themselves and realise their potential. We believe we have a more positive impact in the world when we represent and reflect the diversity of our consumers and communities. To us, it's right to treat people fairly and equitably, whether as consumers, partners or colleagues. We believe in supporting our people at every step of their career journey and giving them the freedom to succeed in their own authentic way.

We're making progress on our cultural transformation to support our pursuit of a cleaner, healthier planet. Our focus on, and investments in, inclusion, wellbeing and leadership are inspiring and equipping our people to perform at their best.

INCLUSION CONTINUED



PROMOTING CONSCIOUS INCLUSION

In 2021, we launched an ambitious programme to promote the benefits of conscious inclusion, which we define as being aware of unconscious bias and consciously choosing to include others.

More than 500 people participated in Conscious Inclusion for Leaders workshops in 2021. With the programme now in its second year and open to all, almost one third of our people have already taken part. Through a combination of online learning, team discussions and self-reflection, the aim is to encourage all our people to recognise the role they play in creating a culture where everyone has the chance to achieve their potential.

In 2022, we launched a mandatory Inclusion at Reckitt onboarding module for everyone – existing employees as well as new starters. We've also embedded a focus on inclusive leadership and conscious inclusion in our broader management and leadership curriculum.



Listening and learning

Our inclusion strategy focuses on six areas – leadership, people, policies, brands, procurement and partnerships.

In our annual global Employee engagement survey we ask for feedback on all aspects of working at Reckitt — what we do well and where we can improve. This year we also included optional extra demographic questions in 14 markets (7 in 2021), reaching around 67% of the total population. This data gives us more insight into our people's needs, views and expectations, and informs our policies on inclusion.

Senior-level focus and sponsorship

We want all our leaders to be confident and accountable in their support of our inclusion aims – leading change, developing trust, building capability and taking action locally. We support this through our Conscious Inclusion learning programme, our Inclusion at Reckitt onboarding module, and leadership behaviours. We expect leaders in each market to establish and run a local Inclusion Board.

Building an inclusive culture

We want everyone at Reckitt to feel included. To achieve this, we engage and interact on the issues that matter to our people. We do this by using tools such as our Stronger Together conversations, which drive awareness and better understanding, promoting our ERGs, and through our Conscious Inclusion learning programme, where over 30% of our people have started our Conscious Inclusion programme and 60% have taken Inclusion at Reckitt learning.

As part of our annual global engagement survey, our people have the opportunity to share additional insight into five diversity dimensions. These are disability, race and ethnicity, caring responsibilities, sexual orientation and gender identity. The information people share enables us to explore potential disparity in the lived experience and engagement across different communities and act accordingly if there is.

We also have introduced a sponsorship programme for women on the Accelerate Advanced programme, which involves around 60 women. This matches women attending the programme with senior sponsors to develop strategies to achieve their career goals, as well as explore how to help other women progress.

Continually improving our policies to improve inclusion

Our policies define our approach, so it's essential they take diversity and inclusion into account. From recruitment, learning and promotion opportunities, to celebrating religious holidays and parental leave, our policies must work for everyone. We review them regularly and have built an 'inclusive-by-design' approach into all new and refreshed policies. We consult as part of the review and design process.

Using our brands to encourage a more inclusive world

Our iconic brands, such as Durex, Dettol and Finish, have served billions of people around the world for generations. Through these and other brands, we're committed to making sure under-represented communities have access to the highest-quality hygiene, health and nutrition products.

Supporting suppliers from diverse and minority communities

We look to promote small businesses, and those with owners from diverse and minority communities. We also want to buy from suppliers that share our commitment to a fairer, more inclusive society.

In 2022, we carried out research to give us a clearer view on supplier diversity, which in turn will help us plan and implement changes as the programme grows. We continue to focus on:

- Monitoring our spend with certified diverse and minority businesses
- Building partnerships with diverse suppliers
- Collaborating with our peers to advocate for systemic change to enable a fairer, more inclusive society across global supply chains

Building selective partnerships and external benchmarking

We form partnerships with organisations who share our beliefs and principles, to learn from them and improve our thinking and actions around inclusion. We also want to use our partnerships to raise global awareness of our commitment to these issues.

We received a Silver Award in the Stonewall UK Workplace Equality Index as well as a Top Global Employer Bronze Award, for advancing LGBTQ+ equality.

We also scored 95 out of 100 in the Human Rights Campaign's US Corporate Equality Index and 100 in Mexico's Corporate Equality index. These indices are benchmarking tools on corporate policies, practices and benefits relevant to LGBTQ+ employees.

INCLUSION CONTINUED



WORKING WITH THE BUSINESS DISABILITY FORUM

We completed a self-assessment in 37 markets using the Business Disability Forum's Disability-Smart Framework. It reflects four levels of activity – leadership, process and policies, delivery and review – across 10 business areas, including learning and development, workplace adjustments, customers and service users, and built environment and technology.

We used the results of this exercise to help us to create global and local plans to act on the opportunities we identified.

Continuing our Stronger Together talks

Since we launched our global Stronger Together conversation series in 2020 to highlight and discuss issues including disability, ethnicity, and mental health, it's enabled us to share stories from colleagues across the world. Sometimes tough to hear, they allow us to understand each other better, increase awareness and foster inclusivity.

In 2022, we again ran a series of live global events that were also available on demand. Invited guests and colleagues shared their experiences, often deeply personal.

These conversations build trust and awareness, and are integral in driving a more inclusive culture through storytelling and education. Opening up the conversation to all employees also helps raise awareness of our work on inclusion, helping to embed it in our workplace culture.

Employee Resource Groups

ERGs are an important part of building an inclusive culture. An ERG is a grassroots network of employees for under-represented groups and allies.

Built around specific dimensions of diversity, ERGs are aligned with our Compass, Fight, Purpose and leadership behaviours and are open to all employees regardless of affiliation or identity. We want all ERGs to:

- Provide a space and network for employees to connect, share experiences and support each other
- Educate the wider business and interested colleagues and allies on the challenges the group faces and explore possible barriers to inclusion
- Contribute to innovation as consumers of our brands and products to make sure we consider everyone's needs

Women@Reckitt

This group focuses on promoting gender balance across our business. It offers opportunities for members to meet and collaborate, discuss the key issues that affect gender balance and contribute their collective expertise and insight.

LGBTQ+@Reckitt

This group offers a space to connect and support, and provides resources for our LGBTQ+ community and their allies. With a growing membership, the group played a key role in our global recognition of the International Day Against Homophobia, Biphobia, Lesbophobia and Transphobia (IDAHOBIT). Together with the business, the ERG launched Transitioning Guidance on this day (17 May) to support colleagues who have transitioned, or who might, and those who are gender-fluid.

Race&Ethnicity@Reckitt

This group encourages better and more meaningful conversations about race and ethnicity. It promotes corporate actions that create an environment where employees of all races and ethnicities can thrive and maximise their contributions to, and value within, the organisation. It also seeks to achieve equity for under-represented groups, while making sure we celebrate diversity and weave inclusion into our corporate DNA.

Disability@Reckitt

In 2022, we launched a Disability ERG made up of people who are passionate about and connected to this issue. The ERG is focused on enabling and empowering people with disabilities and their caregivers to fulfil their potential. Educational and awareness events were organised to celebrate the International Day of Persons with Disabilities (3 December). Various guidance and resources have been developed and shared to build better awareness and knowledge of disability across the business.



BRINGING NORTH AMERICAN ERGs TOGETHER

In North America, we brought ERG members together live and virtually for a two-day summit in 2022. The aim was to help them connect, collaborate and create, as well as coach each other and share ideas on what's worked well for them.

Senior leaders kicked off the summit, underlining their commitment to our inclusion efforts.

A guest speaker discussed the need to create genuine relationships with people who are different from you, and how to make the most of those efforts to take ERGs to the next level. ERGs shared information about their communities, as well as experiences of how best to promote diversity and inclusion.

The summit also included a session on the intersection between diversity and inclusion and marketing, and how ERGs can support global and local efforts in this area. Another explored how to help empower people with under-represented identities. ERG leadership teams used the summit to begin planning for 2023, and at a closing plenary team members who'd gone above and beyond in supporting inclusion were recognised.



INCLUSION CONTINUED

Progress on gender balance in 2022

Improving gender balance at all levels is critical for our long-term business success. To achieve this, we're building inclusion into the core of our hiring process, leadership development and succession planning. We also offer access to mentoring, sponsorship and targeted leadership programmes for women at early and mid-career stages. And we've improved our internal reporting on gender balance to help us spot imbalance and act accordingly.

Nearly half our employees are women, yet they're still under-represented at the most senior levels. Though we're making progress, we still have some way to go. Currently, 32% of global senior management team roles are held by women; by 2030 we want this to be nearer to 50%. Our Group Board consists of four women and eight men, so women make up 33%, which is down slightly since 2021.

Closing the gender pay gap

Gender balance and equality are crucial for us, and society as a whole. As a UK-based Group, we're required by law to publish information about the gender pay gap. By being more transparent, and voluntarily reporting gender pay for more markets, we'll encourage others to do the same. We now report in 10 of our main markets, covering almost 70% of our people.

Our key gender pay statistics:

- Reckitt's gender pay gap in the UK for the year to April 2022 is -10.8% at median and 2.4% at mean
- This compares to the year to April 2021, when Reckitt's gender pay gap was -7.4% at median and 5.0% at mean

This table shows our voluntary disclosure for our 10 largest markets:

2022 GENDER PAY GAP¹

	Mean	Median
Brazil	-2.9%	-21.1%
China	34.4%	14.5%
Hungary	56.0%	22.9%
India ²	-64.8%	-176.0%
Indonesia	2.7%	6.6%
Mexico	-2.7%	-22.0%
Poland	-1.5%	-4.6%
Thailand	16.8%	10.7%
United Kingdom	2.4%	-10.8%
US	-4.4%	-16.3%

1. A negative number represents a gender pay gap in favour of women
2. In India, the majority of our employees in manufacturing are men. The impact of these demographics has resulted in a significant median pay gap in favour of women

For more data and information on our diversity and inclusion initiatives, see our [Gender Pay Gap Report](#)

Global parental leave and benefits

Since 2019, we've offered 26 weeks' fully paid maternity leave in all markets globally. We also offer four weeks' fully-paid paternal leave with the option of four more weeks of unpaid leave. Parental leave arrangements apply to everyone, including same-sex couples and those having a child through adoption or surrogacy. We also encourage employees and their line managers to join learning sessions to support their leave and their return to work.

Looking ahead

We'll continue to create an environment where all our people feel able to participate fully, to be themselves and realise their potential. We'll continue on our cultural transformation, working to improve our progress in diversity and inclusion by continuing to monitor and measure our performance and build on our global workforce data collation programme. We'll also keep tracking progress against our goal of gender balance at all management levels by 2030. We'll continue to embed our focus on learning and raising awareness through the Conscious Inclusion programme and the Inclusion at Reckitt module. As well as this, we'll continue to expand diversity in our supply chain and partner with external experts to drive our agenda further and faster.

A woman with long dark hair, wearing a blue athletic jacket and a black beanie, is running outdoors. She is smiling and looking to her left. The background shows a grassy field and bare trees, suggesting a park or natural setting. The lighting is bright, indicating it might be daytime.

HEALTH, SAFETY AND WELLBEING

Health and safety is not just about reducing illness and workplace accidents, but safeguarding and boosting our people's wellbeing. Given our Purpose to protect, heal and nurture, we put this responsibility at the heart of our business.

HEALTH, SAFETY AND WELLBEING CONTINUED

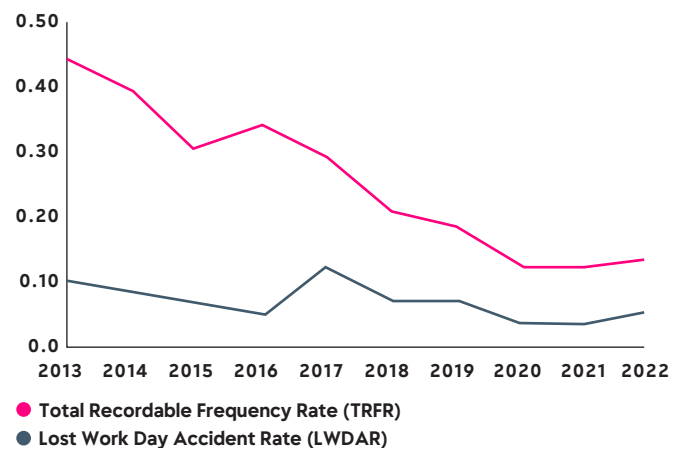
2022 PERFORMANCE

	2022 progress	2021	2020
Lost Work Day Accident Rate (LWDAR) per 100,000 hours	0.066+	0.046+	0.05
Total Recordable Frequency Rate (TRFR) per 100,000 hours	0.14+	0.13+	0.14
Total recordable accidents	120+	121+	132
Lost work days	56+	42+	47
Severe accidents ¹	2+	0+	0
Employee fatalities	2+	0+	0
Contractor fatalities	0+	0+	0
Safety hours trained per employee hours worked ²	1.3	1.2	1.0

* Assured by ERM CVS as part of their limited assurance scope; for details, see our [Sustainability Governance, Reporting and Assurance Insight](#)

1. A severe accident is a permanent disability, including loss of sensory motor dexterity: e.g. loss of a fingertip
2. This metric covers total hours worked at the facility during the month. Therefore, this includes all permanent, temporary/contract/agency workers and third party ad hoc contractors/engineers who visit the site for a short time to complete a specific work task, "permanent" on-site contractors who manage their own area and staff (e.g. restaurant staff) and visitors to the site. Where exact data cannot be determined a simple estimate for hours worked for contractors/engineers is satisfactory

RECKITT ACCIDENT PERFORMANCE



HEALTH, SAFETY AND WELLBEING CONTINUED

Our diverse global team has around 40,000 people, of which two thirds are in manufacturing, logistics and R&D roles. We must set the highest standards of health, safety and wellbeing to look after everyone who works for and with us. That goes for employees, contractors and visitors. We do this by embedding a culture that puts people first and where everyone understands safety risks and takes responsibility for ensuring a safe and healthy working environment.

Our approach to keeping our people safe is about more than reducing workplace accidents and illnesses. It also means safeguarding and boosting their wellbeing, since our people's physical and mental health and wellness is valuable to us. This responsibility goes to the heart of our Purpose to protect, heal and nurture for a cleaner and healthier world, and is central to our Compass, which urges us to 'do the right thing. Always'.

Health and safety

Health and safety hazards vary depending on people's roles and where they work. That could be an office, factory, R&D laboratory or warehouse, and might include driving as part of our logistics operations or to visit customers. Different roles have different levels of risk, so we have standards that reflect the specialist areas across Reckitt, such as manufacturing, R&D and commercial functions. We audit compliance against standards and targets tailored to each role. Our global standards aim to take account of all these.

Performance

Our health and safety performance in 2022 remained fairly flat over the year. The Total Recordable Frequency Rate (TRFR) went from 0.13 in 2021 to 0.14 in 2022, with many colleagues returning to work as we learnt to live with COVID-19. During the height of the pandemic in 2020 and 2021 many of our colleagues weren't travelling or working from offices and were home-based, which made incidents less likely.

The Lost Work Day Accident Rate (LWDAR) has risen marginally from 0.046 to 0.066, which reflects the return to work post the pandemic peak. Due to the small margins, a very small number of lost work days does influence the LWDAR, which explains the rise this year.

Very sadly, during 2022 two of our colleagues were involved in fatal road traffic incidents in India. We completed full investigations into both incidents with lessons learned, shared and acted upon. We have global health and safety standards, including the Reckitt Road Safety Standard, with additional road safety training provided where required.

Managing health and safety

We develop our health and safety management systems in line with our Occupational Health and Safety Policy, global standards, Code of Business Conduct and location-specific guidance. We also regularly review and revise our global standards where necessary. In 2022, we released a global standard on emergency preparedness. This aimed to provide a framework to establish procedures in a way that can identify, plan for, and respond to emergencies of magnitude that have potential to cause a significant disruption to people and operations.

It's important to apply consistent health and safety standards around the world. Across our manufacturing facilities, we are certified to ISO 45001 – the International Standards Organization Certification for Occupational Health and Safety. This enables us to drive consistent standards across our global manufacturing facilities. The ISO 45001 standard complements our internal health and safety compliance audit programme and governance processes. In 2022, all but one of our manufacturing sites were covered by Group ISO certification, and this site is working towards certification in 2023.

In 2022 we continued to build on the progress we'd made in previous years by implementing our health and safety policies and embedding health and safety into the culture of the business. This has meant empowering employees across the business, not just our Environment, Health and Safety (EHS) team, to make health and safety part of everything we do. It's also meant evolving the role of health and safety beyond a compliance function so it becomes a 'business partner'. We formed our first external partnership, with the IIRSM (International Institute of Risk & Safety Management), and restarted our in-person internal audit programmes.



RESTARTING ON-SITE HEALTH AND SAFETY AUDITS

During the COVID-19 pandemic, we ran virtual health and safety assessments. While they went some way towards meeting our needs, in-person audits are more effective. So, restarting site visits was a priority this year, helping us assess health and safety standards, including potential risks and hazards, like manual handling and working at height.

We assess each site to see which hazards are most relevant there. This is more efficient than the previous system of auditing each site against the same set of standards, which might not apply in each case.

For all audits, we outline corrective action for any issues we identify. Every audit is driven and is started by leadership. Senior health and safety team members conduct the audits, and the final report which contains corrective actions is then reviewed by the leadership team. The corrective actions are then entered into a database, which lets us track progress. Any outstanding audit actions go into our monthly performance report, which again goes to leadership teams.



HEALTH, SAFETY AND WELLBEING CONTINUED

We're part of a global industry health and safety roundtable network, where we discuss key issues and trends, share best practices, global incidents and health and safety performance metrics. When assessing performance against our global industry peers, we came in the top quartile of benchmarking.

We continued to focus on behavioural safety observations, where colleagues monitor factory processes to offer fresh perspectives on how to improve. This helps us manage risk proactively by spotting and remedying potential issues before they lead to safety problems.

The year also saw us hold health and safety awareness and education events, which coincided with the International Health and Safety Day (28 April). These included a global health and safety week, involving business leaders, that became a month-long event in India with activities including road safety campaigns and machinery training.

Other highlights included:

- Actions to make manufacturing processes globally consistent
- A global dust and vapour survey looking at safety controls at manufacturing sites to help us coordinate improvements at around 40 sites
- Four global townhalls where corporate EHS teams and counterparts in different markets shared successes and best practice, as well as discussing health and safety with the wider business



PARTNERSHIPS AND COLLABORATION

We recognise that partnerships and collaboration help us deliver excellence in health and safety. In 2022, we started a partnership with the International Institute of Safety & Risk Management (IIRSM), a professional membership organisation for those responsible for managing risks in all their forms.

We'll collaborate on influencing the risk agenda across industries and raising awareness and standards of risk and safety management, with a particular focus on health and hygiene. We'll champion risk management to drive positive change for both employee and organisational wellbeing through setting standards, connecting people and organisations, and providing practical education, training, advice and resources.

The IIRSM has members in more than 90 countries, representing all risk disciplines, from compliance, environmental management and health and safety, to insurance, internal audit, quality management, security, project management and more.

The partnership is in its early stages, but we're excited to grow the relationship, as it gives our employees access to resources like training, toolkits, conferences and industry peer insights, and helps us underline our focus on best practice. We recognise that promoting diversity and inclusion helps to manage risks by creating an environment where everyone thrives and feels they belong. This is why we're sponsoring the DEI Strategy of the Year Award at the IIRSM Risk Excellence Awards in 2023.

Wellbeing

We want people in our workplaces to feel free and express themselves fully, contributing to an equitable, inclusive and innovative culture we can all be proud of.

Our wellbeing vision, a key enabler of our culture, is to deliver the resources to enable healthier, happier people and places across Reckitt. It's not just about better work-life balance, but better life, full-stop. Helping our employees to be at their best means they can realise their full potential and feel better about life in general. Focusing on mental health and general wellbeing is the right thing to do for our people, but it's also vital to helping our business perform.

Our work is guided by our global Wellbeing Policy, which includes our focus on mental health. Launched in March 2022, it defines our ambition to create an environment where people can live a better life. We also have a global Code of Conduct, Diversity and Inclusion and Anti-bullying and Harassment policies to help us create a positive working environment.

We've established a global Wellbeing Hub where employees can access resources including guides, videos and online tools. We provide access to education and resources on topics that, based on feedback and engagement surveys, we know are priorities. These include mindset, stress management, triggers, resilience, movement, nutrition, recovery and workload.

Our people also have access to wellbeing experts through quarterly global webinars and monthly Q&A sessions, open to everyone, everywhere. The webinars focus on helping employees to deal with balance, mental health, and the importance of managing mental energy. We also provide a guided curriculum on mental wellness that consists of video-based training supported by a guide with activities to help internalise the training content.

As well as this, we offer employee assistance programmes in all our markets that give immediate support related to various wellbeing challenges, including mental health support. The mental health section on our intranet also has local mental health training for line managers and HR. Our global activities set the tone for local initiatives that complement our global resources. An example is the Mental Health First Aider programme in the UK, which trains employees to give first-level support for anyone dealing with specific challenges.

"OUR WELLBEING VISION IS TO DELIVER THE RESOURCES TO ENABLE HEALTHIER, HAPPIER PEOPLE AND PLACES ACROSS RECKITT."

HEALTH, SAFETY AND WELLBEING CONTINUED

Collaborating for greater impact

We work with wellbeing partners to amplify our impact and support our colleagues.

- **Continuing mental health partnership** – Our global partnership with the not-for-profit organisation Heart on My Sleeve has entered its second year. It offers practical guidance and resources related to preventative measures for people who need help, their colleagues, supporters, and the organisation at large to improve wellbeing and help us care for others at work and at home
- **Caregiver Support Network pilot** – In October 2022 we launched a Caregiver Support Network pilot programme in the UK, where we offer extra resources and a support platform for caregivers dealing with mental health challenges for the people they look after

Enabling our leaders

Leaders have a marked influence on the wellbeing of their teams. All our managers have the opportunity to take part in wellbeing programmes through training and individual and group coaching, as well as access to mental health training resources.

In 2022, we continued to offer global wellbeing programmes to leaders at every level of the organisation, focusing on how they can take care of their own wellbeing while also building an environment that supports our people in a high-performance culture.

The Global Executive Committee and its teams continue to lead from the front, completing a programme focused on leading sustainable performance, with wellbeing and cognitive capacity as the core focus. We also regularly run global and local Stronger Together conversations, chaired by the CEO and other senior leaders, highlighting critical elements of inclusion and wellbeing. Every October, we put a special focus on mental health to celebrate Global Mental Health Day. These conversations create an open dialogue around diversity and wellbeing priorities and give employees a platform to share their experiences and make others aware of their unique challenges and personal victories.



PROMOTING WELLBEING IN THE UAE

In Africa and the Middle East, we've been focusing on gender balance, especially increasing the number of women in leadership roles and retaining more women across all levels.

There's also been a focus on racial and ethnic diversity and representation, as well as diversity of nationalities. This includes identifying gaps in hiring and promotion practices, and implementing policies to fill them.

Initiatives include:

- Launching a policy in the region to support new mothers in their return to work
- Increasing awareness of diversity and inclusion through education, training, external speakers and panel discussions every quarter, with a focus on our Conscious Inclusion programme
- Building a sense of belonging with monthly show-and-tell events for people to showcase their culture. We also launched a policy letting people take the day for cultural celebrations that matter to them, but aren't public holidays in UAE or Saudi Arabia, such as Diwali and Holi.
- We ran a series of talks on:
 - managing and coping with microaggressions in the workplace;
 - improving mental health; and
 - improving wellbeing by normalising mental health and managing colleagues and self
- A quarterly survey to measure the effectiveness of the local Inclusion Board



Listening to our people and measuring performance

We conducted our annual global all-employee survey in August 2022. There was strong engagement globally, with 83% of employees responding and leaving more than 30,000 comments.

Inspired by our Purpose, Fight and Compass, 86% of people who commented on this question are personally committed to making access to the highest-quality hygiene, wellness and nourishment a right, not a privilege. They're proud to work in the Company and identify strongly with our culture of achievement. There's also strong appreciation for the Company's investments in wellbeing and sustainable high performance.

Our people also give feedback on our culture through the survey, and we include questions on care and diversity, aiming to improve the results year-on-year through targeted actions. Our 'Care' score – measured by the statement 'At work, I feel cared about as a person' – is above the global benchmark of companies using the Glint tool for their employee surveys.

We evaluate the effectiveness of our actions by looking at improved business performance, increased retention, training completion rates and feedback, as well as employee engagement trends. We include results and progress against our wellbeing ambition in our 2022 Annual Report.

For more information about our employee survey and how we listen to employees, see [Our People Insight](#)

Looking ahead

In 2023, we'll continue to work on addressing our safety hot spots and support sites through our internal audit programme. We recognise that health and safety can't flourish without a genuine safety culture. So we'll carry on building on our work with our sites and other functions to promote health and safety as a business partner.

We also understand that enhancing our people's wellbeing enhances our business performance. Doing this well is about making the right habits and behaviour part of how we live and work every day, whether it's how we run meetings or how leaders manage their teams. Over the coming years, we'll continue to focus on integrating the right wellbeing habits into our culture.



PARTNERING FOR SOCIAL IMPACT

Strong partnerships help us to empower people, invest in communities, and deliver social impact. They support our Fight to ensure access for all to the highest quality hygiene, wellness and nourishment.

PARTNERING FOR SOCIAL IMPACT CONTINUED

2022 PERFORMANCE		
Our ambitions	2022 progress	2021
Engage two billion people with purpose-led partnerships, programmes and campaigns to promote awareness for a cleaner, healthier world (cumulative since 2020 ¹)	1.48 bn ⁺	0.90 bn
<div>1. From 2013-2020, our programmes reached 1.8 billion people, exceeding our target of one billion. We introduced new targets in 2020 and now report on cumulative engagement since then</div> <div>⁺ Assured by ERM CVS as part of its limited assurance scope. For details, see our Sustainability Governance, Reporting and Assurance Insight</div>		

Reckitt products, by their nature, do good. Whether we are saving water, creating clean environments or promoting safe sex, we make things that make a difference — to the planet and people’s lives.

But we aim to go beyond this. We harness the power of business to make a positive social impact, investing to promote access to hygiene, health and nutrition. By improving access, we grow our business, and by growing our business we improve access. It means that we don’t fight for market share. We grow the market.

Since 2020, achieving a fairer society has been one of the three focus areas in our 2030 Sustainability Ambitions, alongside reaching two billion people through our purpose-led brands and creating a healthier planet. This is our strategic blueprint for ensuring Reckitt contributes more than it takes, while remaining fit for the future.

Our future ambitions are backed by investment and measurable impact targets. We have pledged the equivalent of 1% of adjusted operating profit over three years to social impact investments. This is already substantial and it means, as our business grows, so does our commitment.

We know that we have the biggest impact where we play to our strengths. We think about our Fight for a cleaner, healthier world in terms of some of the world’s biggest problems that we are uniquely placed to address: Access to Water, Sanitation and Hygiene; Sexual Health and Rights; and Maternal and Child Health. We believe these challenges will define the next decade.

We map these impact areas to the Sustainable Development Goals to ensure we contribute to meeting the world’s sustainability targets. This year, for the first time, we have also mapped our investments in social impact. This shows where we are having significant success, and where things could be improved. By addressing our shortcomings, we will protect people, planet and performance over the long term.

We want to meaningfully engage two billion people through our partnerships, programmes and campaigns. We plan to get there in several ways:

- 1. Through our impact programmes on the ground, we will work directly with people to improve the lives of those most in need
- 2. By connecting with the people who use our purpose-led brands, we help to create impact through how they use our products, influencing people’s behaviour through our communications and with campaigns that align with each brand’s purpose
- 3. Through our value chain, we work with our partners to improve the conditions for those who supply us with the ingredients and materials we use

Action and performance

This year, we’ve made significant progress. Against our target of informing two billion people by 2025, we reached 584 million⁺ people in 2022, bringing our cumulative total to 1.48 billion⁺ since 2020. In 2022, we invested the equivalent of £32 million across 45 countries. Our investments have engaged 22 million people and measurably improved the lives of eight million people.

➤ For more on Reckitt’s social impact investment, see our in-depth [2022 Social Impact Report](#)

PARTNERING FOR SOCIAL IMPACT CONTINUED

Water credit

We are very proud of our partnership with Water.org. Rather than simply building toilets, our programme with Water.org enables families — particularly women — to access finance and plan and build their own taps and toilets. This means safer water, increased safety and time saved for those families.

Since our partnership began in 2018, we have helped over 1.7 million people. Our impact increased significantly in 2022, when we helped more than one million people with loans worth \$64 million.

One of those people is Samsula, 48, who lives with her husband, Layakali, 50, and two adult children in the district of Samastipur in India. Until recently, Samsula and her family had no toilet. Instead, they went outside, despite being concerned for their safety and health.

After learning about new affordable loans through Reckitt's partnership with Water.org, Samsula built a toilet in her home. She has already reported lower medical bills, a much greater sense of safety and more security for her children, as they no longer need to go out to the toilet at night.



Reach Each Child

Our Reach Each Child programme, in Maharashtra and Rajasthan in India, supports the nutrition of mothers and their children in the first 1,000 days of life.

The community-centred model works with local people to train community nutrition workers, with inputs from public health experts, paediatricians, gynaecologists and community development specialists.

In 2022, the programme supported 2,458 women and admitted 458 children suffering from severe acute malnutrition to rehabilitation centres, significantly improving their chances of a healthy life.

Kaushaliya Pawara works as a community nutrition worker for Reach Each Child. She decided to join the project after witnessing malnutrition in her village. She has developed new skills and a livelihood that is empowering her, her family and their home.

"I FEEL HAPPY THAT I AM MAKING A REAL DIFFERENCE IN MY COMMUNITY AND TO A WHOLE GENERATION OF LOCAL CHILDREN THAT REPRESENT OUR FUTURE."

KAUSHALIYA PAWARA
COMMUNITY NUTRITION WORKER, INDIA

March of Dimes

We are supporting March of Dimes, a US-based non-profit, with its programme to address the lack of access to maternity care in the US. The Better Starts for All programme is a three-year pilot initiative focused on support, education, clinical care and virtualised care to women in communities in the Washington D.C. area and south-east Ohio, where maternity services are difficult to access.

The COVID-19 pandemic has changed care-seeking behaviours and emphasised the need to reach women where they are. The pilot provides Mom & Baby Mobile Health Centers™ and community health workers. As of last June, it had provided 2,292 visits to 724 women across the programme. Two-thirds of the women seen by health workers were insured by Medicaid and 95% of women seen on the mobile unit were uninsured. More than a quarter of women (28%) stated that they would not have received care if the mobile health centre was not available.

Word of mouth and community-based partnerships help to build trust. The pilot found that the promotion of the mobile health centre was most successful in disadvantaged communities where people already know and trust March of Dimes and its clinical partner.

"WE'RE ENCOURAGED THAT THE PILOT INTERVENTIONS OF BETTER STARTS FOR ALL WILL BE HELPFUL IN INCREASING ACCESS TO CARE FOR MARGINALISED COMMUNITY MEMBERS AND HOLD PROMISE AS A MECHANISM FOR IMPROVING HEALTH EQUITY."

DR. ELIZABETH CHEROT
CHIEF MEDICAL HEALTH OFFICER AT MARCH OF DIMES



HUMAN RIGHTS ACROSS OUR VALUE CHAIN

We work with suppliers and partners, governments, NGOs and global corporates, initiatives and forums, to ensure that everyone's human rights are respected, from their working conditions to their access to health, nutrition and hygiene products.

HUMAN RIGHTS ACROSS OUR VALUE CHAIN CONTINUED

2022 PERFORMANCE

Our ambitions	2022 progress	2021	2020
Sustainable livelihoods and working conditions			
Our teams and communities throughout our value chain have livelihoods that enable their health & wellness			
Embed human rights through impact assessments and actions plans in our key value chains by 2030			
Other human rights metrics			
Number of suppliers audited	217	232	179
Pass rate of those audited (%)	67%	61%	67%
Percentage of employees completing human rights training (cumulative since 2021 launch)	99.9%	70%	-

Protecting the rights of people in our global value chain goes to the heart of our Purpose to protect, heal and nurture in the relentless pursuit of a cleaner and healthier world. We're developing tools and approaches to help us pinpoint, tackle and prevent human rights violations and make a positive, lasting impact on workers and communities.

We have a truly global value chain that includes people who work directly for us, or for our suppliers. They might supply goods or services, or farm the raw materials we use. They also include the communities we work alongside and the consumers who use our products. It's important for us to understand the human rights impacts within this value chain, directly solve any problems we can, and work with others to make change happen.

To focus our activity, we've identified our salient human rights issues. Our assessment was conducted by the Danish Institute for Human Rights and considered resources including internal supply chain audit data, as well as external resources and risk assessments. It was supported by discussions with internal and external stakeholders, including NGOs, customers, investors and peers. Our salient issues are:

- Working hours
- Fair wages
- Health, safety and environment
- Freedom from forced labour
- Freedom of association
- Gender, diversity and inclusion
- Effective grievance mechanisms
- Access to water and sanitation
- Sexual health and rights
- Access to health, hygiene and nutritional products
- Marketing practices
- Product safety
- Data privacy

The relevance of these issues varies across different countries and sectors, so our activity centres on where the potential threat to human rights is greatest. For example, much of our work to combat modern slavery focuses on manufacturing and palm oil in Malaysia, and manufacturing in the Middle East. We also prioritise auditing and monitoring suppliers (distribution centres, third-party manufacturers, and some raw material and packaging material suppliers) across the Middle East, Africa, Asia and South America. This is particularly to develop their standards and capabilities around health and safety, working hours, wages and grievance mechanisms. To support this,

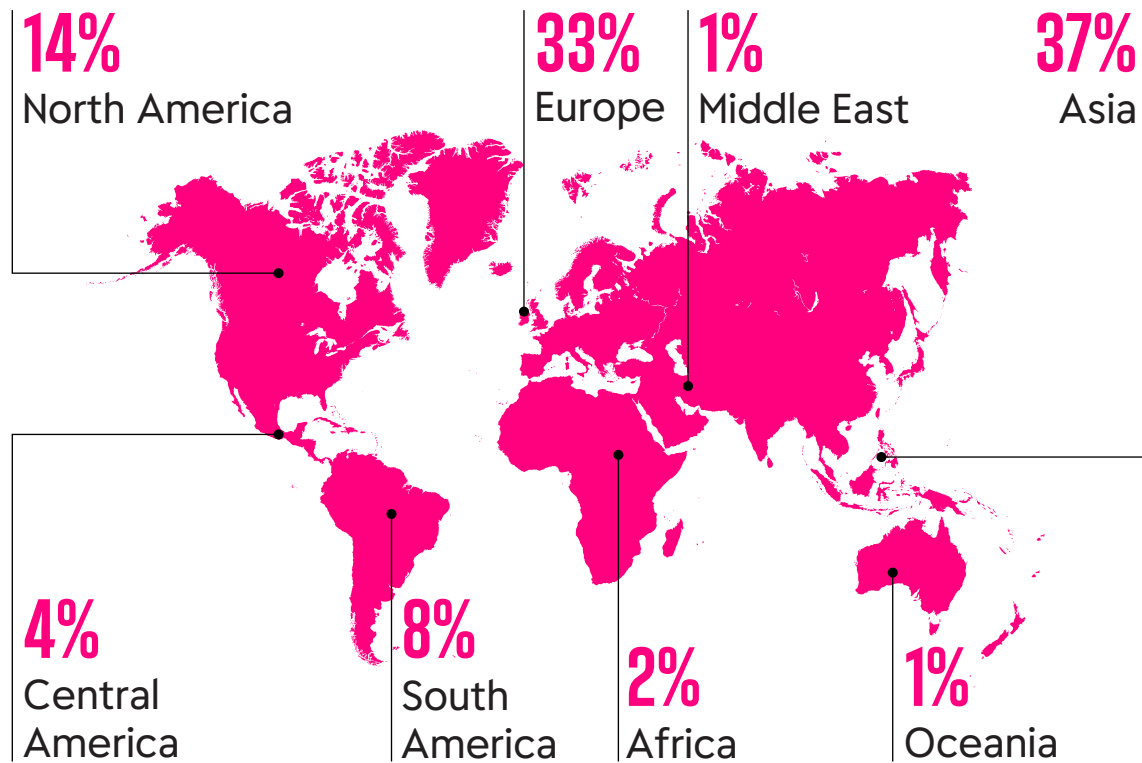
we keep up to date with external research and work with NGOs and peers to better understand risks and how to deal with them effectively.

Human rights are an absolute and universal requirement. We are committed to respecting those outlined in the International Bill of Human Rights, the International Labour Organisation's Declaration on Fundamental Principles and Rights at Work. We are also committed to implementing the UN Guiding Principles on Business and Human Rights. We also follow the OECD Guidelines for Multinational Enterprises, and support the Ten Principles of the UN Global Compact. Where international human rights, standards and national laws differ, we follow whichever offers the greatest protection. Where they conflict, we comply with national laws, seeking to respect internationally recognised human rights as far as possible.

In 2022, we consolidated and scaled up our initiatives, which has included new policies, our grievance mechanisms toolkit, and innovative tools to help us spot risks in the supply chain. To reinforce our policies and standards, we have three distinct but interrelated streams of activity to drive respect for human rights across our value chain and enable a more sustainable supply chain, focusing on our Human Rights programme, Sustainable Sourcing programme and Responsible Workplace programme.

HUMAN RIGHTS ACROSS OUR VALUE CHAIN CONTINUED

GLOBAL DISTRIBUTION OF RECKITT'S MANUFACTURING FACILITIES, DIRECT SUPPLIER AND THIRD-PARTY DISTRIBUTION AND EMBELLISHMENT CENTRES



Human Rights programme

We focus on understanding the broad range of human rights impacts across our value chain by conducting Human Rights Impact Assessments (HRIA). We have risk assessed all our markets using a tool developed with the Danish Institute for Human Rights. This risk assessment considers a range of factors such as our supplier, operational and brand footprint, inherent human rights risk, proportion of net revenue generated and market growth rates. Through this, we have identified 10 priority markets in which we plan to conduct HRIAs by 2030.

We conducted our first HRIA in 2019, assessing our Durex and Enfa brand value chains in Thailand. Our second HRIA was delayed due to COVID-19; however, during the second half of 2022 we started an assessment of our Brazilian operations. We plan to complete this and publish the report in 2023.

We engage with stakeholders for these assessments, which help us to evolve our policies, procedures and activities to tackle any negative impacts we identify. We report our findings and any action we take. We also look to promote specific human rights where our business and brands are well-placed to drive positive impact. For example our Durex brand promotes sexual health and rights.

Sustainable Sourcing programme

This focuses on environmental and social issues in our natural raw material commodity supply chain, from our tier 1 suppliers to the commodities' origins. We map the origins of our high-priority natural raw materials: palm oil, latex, dairy, timber and natural fragrances. This helps target our work with suppliers, NGO partners and other actors to safeguard workers and communities, protect ecosystems and reduce environmental impacts. We're also continuing to assess others, and will widen our programme as we need to.

HUMAN RIGHTS ACROSS OUR VALUE CHAIN CONTINUED

Responsible Workplace programme

This programme helps us identify and address any human rights shortfalls in our business and direct supply chain. It's run by a team including four regional experts in China, South Asia, Africa and the Middle East, who work with our suppliers, sites and procurement teams. The programme has five stages:

1. **Engagement** – we make sure all our Reckitt facilities and suppliers know what we expect. For our suppliers, this happens at the start of any commercial relationship and is part of our commercial contract and outlined in our purchase order terms and conditions.
2. **Self-assessment** – our suppliers complete an assessment on Sedex, which helps them build awareness and access e-learning and training resources to improve their practices. Teams at all our facilities must complete an annual compliance self-assessment. Out of 579 suppliers, 305 have completed a Sedex self-assessment.
3. **Site risk assessment** – we assess all our facilities on the inherent risk associated with their country, product area, sector profile and function as well as risks associated with their management controls. We couple these assessments with previous audit ratings, which reflect the strength, or otherwise, of management controls, and which we take into account when assigning a site a risk rating. We assess suppliers' sites in a similar way, considering their inherent risk and, if it exists, the latest audit rating.
4. **Auditing and addressing non-conformities** – we audit critical and high-risk sites at least once every three years, using our own teams or external specialist support. After the audit, sites must complete a time-bound, corrective action plan, which our human rights team reviews before we accept it. We give support to sites if they need it and follow up on action plans to make sure suppliers raise their standards.
5. **Training** – engagement and training build people's understanding of issues, helps them put things right and can help stop the issues arising at all. This can be through on-site or online capacity-building visits, as well as sharing resources and good practice. In 2022, we trained 25% of suppliers. We also co-sponsor supplier events, which builds our suppliers' capability in key regions.

➤ For more details of our programme, see our [Modern Slavery Report](#)



Image: Photos credited to Martin Kunz, Fair Rubber Association

HUMAN RIGHTS ACROSS OUR VALUE CHAIN CONTINUED



ENHANCING THE LIVELIHOODS OF SMALLHOLDERS IN OUR LATEX SUPPLY CHAIN

The effect of low rubber prices on the livelihoods of smallholder latex farmers was a key impact identified when the Danish Institute for Human Rights carried out a Human Rights Impact Assessment of our Durex value chain in Thailand in 2019. In 2021, we committed to paying a price premium for latex, through the Fair Rubber Association (FRA), to enhance the livelihoods of latex farmers and tappers. In turn, this effectively enables us to invest in their communities to ensure a consistent, good quality source of supply.

During 2022, we made progress in rolling out the FRA standard and started paying a price premium to farmers and tappers in our Thai supply chain. We worked with the FRA to engage with farmers, helping them establish a local Farmer Association to receive the premium and decide how to invest it in their community. We also helped the association hold its first Annual General Meeting to appoint board members and recruit over 1,000 members. We've paid over €970,000 of premium to the association in 2022, with farmers already agreeing to spend it on

a joining bonus, subsidised organic fertiliser and grant funding for income diversification activities including mushroom growing and livestock fattening.

We're now helping the association to establish the governance it needs to manage itself and develop a long-term plan for how to invest the premium.

We're also working with Earthworm Foundation to improve farmers' livelihoods in ways that make the supply network more resilient, including:

- Boosting farmers' and households' income from latex and other sources, like livestock-raising
- Encouraging regenerative agriculture practices like agro-forestry, which can improve productivity and enhance ecosystems
- Improving living and working conditions, for example with personal protective equipment



Image: Photos credited to Martin Kunz, Fair Rubber Association

Underpinning and communicating our approach, policies and performance

We want to be transparent about our value chain human rights impacts and what we do to address them. We regularly report on our commitments, risks, activities and progress through our sustainability reporting.

The issues in our human rights work are often complex and cultural. The exploitation and discrimination that vulnerable groups like children, women and migrant workers face can be part of deep-rooted employment practices and business behaviour, which, in some parts of the world, are not unlawful. No single organisation or instant measures will put them right. This is why we work with partners, NGOs and governments, as well as our suppliers, to look for practical routes to sustainable change.

"WE TARGET OUR WORK WITH SUPPLIERS, NGO PARTNERS AND OTHER ACTORS TO SAFEGUARD WORKERS AND COMMUNITIES, PROTECT ECOSYSTEMS AND REDUCE ENVIRONMENTAL IMPACT."

HUMAN RIGHTS ACROSS OUR VALUE CHAIN CONTINUED

Reports from our Speak Up! service

We have reporting processes in all countries, in line with local laws. In 2022, 644 concerns were raised through Speak Up!, our whistle-blowing service.

➤ For more details about Speak Up!, see our [Ethical Behaviour Insight](#)

We initially earmarked 121 concerns that could involve breaches of our policies on human rights and responsible business. As of 28 February 2023, we'd closed 104 of these cases after internal investigations, with 51 cases partially or fully substantiated.

Of the 51 cases:

- 0% related to disciplinary practices
- 90% related to discrimination, including sexual, moral or verbal harassment, favouritism, or gender and race discrimination
- 6% related to working hours, pay and pay disputes
- 4% related to health and safety (mostly working conditions)

Action we took ranged from training and changes to policies or procedures, to disciplinary action and dismissal. The remaining 17 cases are still pending completion.

Overhauling our policies and standards

We published our updated sustainability policy and standards for business partners – our [Sourcing for Sustainable Growth Policy](#) – in early 2022, and communicated it to key suppliers and internal stakeholders through the year.

Mobilising our sales teams

Given the human rights risks associated with manufacturing, selling and distributing our products, we expanded our Responsible Workplace programme into our sales function. We created a checklist for the sales team along with a Human Rights Aide Memoire to help them identify and flag any human rights or environmental concerns in our distributors. We piloted this in 2022 with training for the sales team in Egypt. In 2023, we'll look to expand this to further high-risk markets and to lower-risk regions in Europe.

Embedding human rights into our business

In 2022, we made significant progress embedding human rights into our procurement and supply functions. We added human rights and environmental metrics to the balanced supplier scorecard for key suppliers, as well as them being part of the formal supplier qualification process for raw material and packaging suppliers. We also integrated sustainability screening of all vendors, regardless of who they are, where they're based or what service they provide, as part of Reckitt's third-party due-diligence programme overseen by our Legal Compliance team. Finally, we embedded sustainability indicators into our procurement team's Supplier Vulnerability Tool to give us a holistic assessment of suppliers' resilience and the risks associated with them.

Extending into our indirect supply chain

We continued to involve our indirect procurement team and prioritised engagement with our European point of sale (PoS) suppliers, including sustainability targets and recommendations in the PoS Supplier Playbook. We also partnered with business sustainability ratings specialist EcoVadis to roll out the assessment to our top PoS suppliers. The assessment covers a broad range of non-financial management systems including environmental, labour and human rights, ethics and sustainable procurement impacts. We'll continue to work with these suppliers to improve their EcoVadis score. We'll also expand the scope of our indirect supply chain activity in 2023.

Auditing our suppliers

We audited 218 suppliers in 2022, with around 67% achieving a 'pass' rating. This is higher than the 61% achieved in 2021 and demonstrates the improving maturity of the suppliers in our programme. However, we're conscious that there's more work to do and we will continue partnering with suppliers and our procurement team to improve standards in our value chain.

Promoting sustainable livelihoods

For us, enabling a sustainable livelihood goes beyond paying a living wage. We also focus on providing a working environment that promotes health and wellbeing, equality, employment rights, long-term financial security and skills to support ongoing career development. We've now assessed all our operations in our top 10 markets, covering 64% of all active full-time employees, with less than 1% paid below a living wage. We've made plans to address this and aim to assess the rest of our markets in 2023.

Rolling out e-learning

In December 2021, we launched refreshed human rights training and broadened it to cover all employees as part of our annual compliance passport training. This will help employees better understand human rights and the role of business in respecting them, as well as our salient human rights issues and what we're doing to make sure there's respect for people's rights across our value chain. The training includes tools, knowledge and advice to recognise and report breaches of human rights. Since we launched the training, 99.9% of employees have completed it.

Tackling modern slavery

Exploitative recruitment practices, like demanding excessive recruitment fees and imposing substitute contracts, are forms of modern slavery that affect many migrant and vulnerable workers. Many of these practices occur deep within the migrant labour supply chain, enabled by weak state governance, corruption and wider criminality.

In 2021, we worked with The Coca-Cola Company to support technology business Diginex in developing diginexLUMEN, a tool to give businesses insights into their suppliers' risks around exploitation and forced labour. In 2022, we gave the Diginex recruitment questionnaire to a further 24 suppliers in the Middle East and Malaysia to better understand their recruitment policies and practices, and the migrant worker supply chain. To assess the validity of suppliers' responses, we invited migrant workers to complete a survey on their experience of the recruitment process. In 2023, we'll review the insights and look to engage suppliers where there are inconsistencies and room for improvement.

➤ For more information on what we're doing to tackle modern slavery, see our [Modern Slavery Statement](#)

HUMAN RIGHTS ACROSS OUR VALUE CHAIN CONTINUED

Our partnerships

Solving human rights issues means working alongside our extended supplier network, government, industry, NGOs and other stakeholders. This helps develop the insight and tools to clarify issues and tackle them.

Oxfam Advisory Services

We've worked with Oxfam since 2020 to develop ways to make sure human rights are properly respected across our value chain, and have focused on issues including gender equality and workers' welfare by:

- Developing a toolkit to help suppliers create grievance procedures for their workers
- Developing a survey to assess workers' wellbeing, which we'll pilot in 2023
- Defining gender diversity and inclusion data to collect within our supply chain to address barriers and promote gender diversity and inclusion

AIM-Progress

We're a leading member of AIM-Progress, a forum of leading fast-moving consumer goods (FMCG) manufacturers and suppliers working to enable and promote responsible sourcing practices and sustainable supply chains. It's a global initiative supported by AIM, the European Brands Association. The goal of AIM-Progress is to make a positive impact on people's lives and ensure respect for human rights, while delivering value to members and their supply chains. We're on the leadership team and co-chair the Capacity Building work stream, helping members to build strong responsible sourcing programmes.

Consumer Goods Forum (CGF)

Being part of the CGF helps us work with other leading brands, manufacturers and retailers committed to social and environmental sustainability. In turn, this helps us boost our collective impact through safe, resilient and sustainable value chains. In 2022, we continued to support the CGF's Human Rights Coalition on working to end forced labour.

Supporting communities most affected by climate change

Human rights and the environment are inextricably linked, with the right to health and water, among others, under threat without a safe, clean and healthy environment.

Our work to promote planetary and public health includes programmes such as Banega Swachh India and partnerships such as those with the London School of Hygiene and Tropical Medicine to research and find solutions to the impact of climate change on health. These translate to activity in communities, for example with Water.org on sanitation, and our work with the Earthworm Foundation on livelihoods in farming communities. They aim to make sure that communities we work in have access to health, hygiene and nourishment. Our Fight for Access Fund targets this overall, and helps convene partners and wider stakeholders around programmes. We're also calling for all public health strategies to take account of climate change to support this need (see our [Climate Change Insight](#) for more information). This has been a specific focus of our activity at recent climate change COPs in the UK and Egypt.



Image: Photos credited to Martin Kunz, Fair Rubber Association

Looking ahead

We recognise the need to evolve our approach to human rights to drive long-term systemic change. This will involve blending our focus on compliance with an increased drive for positive impact where there are systemic or even cultural barriers to human rights. Examples will include work on sustainable livelihoods, equality, migrant labour forces and working hours. With our partners, our suppliers and civil society, we're well-placed to influence and create this impact, given the nature of our business and brands.

Audits and assessments will continue to be part of our approach, but we'll also use other tools and ways to engage, while keeping people at the heart of our activity. Audits show promising results over time, with our suppliers' performance improving as their understanding of labour and human rights develops, and the 'pass' rate progressively improves. That, coupled with our broader approach, will help overcome some of the systemic challenges and strengthen access to other rights.

Our approach will look at how each phase of our value chain can contribute to the key human rights issues we target. The various innovations and pilots we've been working on over the last two years are a good start and will help to shape our thinking. As we do this, we'll:

- Look beyond audit, to actively identify and address potential human rights impacts before they materialise
- Use data and technology like blockchain and digitised records to get a clearer view of the supply chain, pinpoint risks and monitor them
- Collaborate with stakeholders – engaging with peers, suppliers, NGOs, governments and rights holders to understand their perspective and co-create sustainable solutions that make a tangible difference



REPORTING CRITERIA AND BASIS OF PREPARATION

Reckitt Sustainability Insights 2022



REPORTING CRITERIA AND BASIS OF PREPARATION

Reckitt basis of preparation for sustainability performance indicators selected for independent assurance (2022).

1. Our general reporting principles

We have sought to ensure that:

- The reported data accurately reflects our performance and serves the general needs of the report's users
- The data is meaningful and consistent with the definitions, scope and boundaries stated in these Reporting Criteria
- Any specific material exclusions are stated and explained
- We use consistent methodologies year to year wherever possible and unless otherwise stated to allow for sustainability performance comparison over time, any material changes in measurement methodologies versus the previous reporting year are made clear
- We are clear regarding the use of assumptions we make and regarding our measurement and calculation methods
- We report transparently such that the report's users can have confidence in the integrity of the data and information we report

Uncertainty and estimates, assumptions & extrapolations

Every effort has been made to capture all relevant data globally. However, it is not always feasible or practical to capture every single item of data across or relevant to our global operations, particularly in connection with some parts of the 'Scope 3' elements of our global products lifecycle carbon and water use footprints which are outside of our direct/indirect control. Where we have made estimates, assumptions or extrapolations to cover such occasions we make this clear in the report.

Where it has been necessary to apply assumptions and extrapolations during calculation of our global products lifecycle carbon and water use footprint (i.e. where appropriate primary or secondary data sources have not been available), information or data for assumptions has been sourced in a clear order of priority: e.g. seeking reputable publicly available data sources (e.g. IEA emission factors), then market research, before general publicly available data. Where assumptions and extrapolations have been

required, these have been applied in a conservative manner. The same principle has been applied to the application of emission/water factors for calculation of CO₂e emissions and water use associated with the manufacture of raw and packaging materials, and disposal of waste. Where two or more factors for a material have been available and an uncertainty as to the correct factor to apply has existed, the highest factor in terms of CO₂e or litres per unit of material has typically been applied, to prevent under-reporting.

As a process of continuing improvement and in line with ongoing developments of data availability on carbon and water footprints of individual materials, companies and processes for example, the quality of the data used in the carbon, water use and water impact footprint will by nature improve further going forward. Although overall it does comprise the best information currently available, both internally and externally, at the time of reporting.

Within the continuing evaluation of global supply chains for human rights and labour standards, the programme has further reviewed both Reckitt and supplier sites, supported by an independent external review of human rights impacts. This assessment is prioritised on the basis of risk by review of external data and insight which leads to the progressive assessment of supply chains. The programme continues to be informed by the results of site assessment and external insights which may inform future priorities. Overall it does comprise the best information currently available, both internally and externally, at the time of reporting.

Restatement of reported data

We undertake continual, year-on-year improvement in our sustainability reporting processes and controls. Where it makes data and performance trends between years more comparable, and/or on the basis that any variances in prior years are identified (e.g. errors in prior year data), we restate that data in our reports, are transparent about having done so and the reasons that drove the change.

Reporting boundaries

Our 2022 report provides data and information for the period 1 January 2022 to 31 December 2022 across all Reckitt Benckiser Group plc companies globally, as follows:

- Environment: 50¹ manufacturing facilities, 10 stand-alone R&D centres and six warehouses over which we had operational control at the start of 2022; and, in terms of our global products' lifecycle carbon and water footprint, the 'Scope 1, 2 & 3' Greenhouse Gas (GHG) emissions reported in units of carbon dioxide equivalents (CO₂e) and direct and indirect freshwater use (litres) and water impact (e litres) associated with all stages of our global products' lifecycle footprint, in line with the principles of PAS2050, the GHG Protocol and the Water Footprint Assessment Manual. For sustainable net revenue, we report on a 12-month period of net revenue covering Q4-Q3
- Health & Safety: all Group companies and facilities as at 31 December 2022 in which we had operational control for one or more months during 2022, unless explicitly stated
- HR: all Group companies and facilities as at 31 December 2022, unless explicitly stated. Our employee and diversity figures are based on data for 37,003 global Group employees (excluding contractors) – data taken at year end 31 December 2022
- Production volume by tonnes is used to calculate intensity metrics. In 2022, the production volume was 3,051,297 tonnes

Total carbon footprint and water impact

We continue to report on a 12-month period. In line with previous years (except for the 2015 baseline), this metric covers Q4 of prior year through to Q3 of the reporting year due to timelines required for inclusion in the Annual Report and Accounts. This eliminates the need to use financial forecast data. For 2022, this covers 1 October 2021 through to 30 September 2022.

Total net revenue from more sustainable products

We continue to report on a 12-month period of net revenue. In line with previous years, this metric covers Q4 of prior year through to Q3 of the reporting year. For 2022, this covers 1 October 2021 through to 30 September 2022. IFCN (Infant Formula and Child Nutrition) net revenue has been included in this metric since 2021, as we have rolled out the systems and processes to this part of the business. For the 2022 reporting cycle, for full transparency, we will publish a percentage net revenue number including IFCN and excluding IFCN to allow comparisons with prior years.

1. We report environment data from operations for which we have operational control, in line with the GHG protocol

REPORTING CRITERIA AND BASIS OF PREPARATION CONTINUED

The rule applied concerning data from new acquisitions/new facilities is as follows:

- **Environment:** data is included for the first full calendar year of Reckitt ownership/control (e.g. data from a manufacturing facility purchased in November is included from 1 January of the following year)
- **Product:** unless specified otherwise, data is included for the first full 12-month reporting period of Reckitt ownership/control. Where a reduction target has been set in relation to a baseline year and data from previous years or a baseline year is not available, annual performance data is presented excluding that acquisition in order to ensure year-on-year comparison with the baseline. In these cases, a separate entry for the reporting year will provide the total performance data including that data
- **Health & Safety:** data is included from the date of purchase (e.g. data from a manufacturing facility purchased in November is included from the date of ownership (June))
- **HR and Diversity:** data as held in the Company's Human Resources database on 31 December of the year being reported is included
- **Social metrics:** data is included for the first full calendar year of Reckitt ownership/control (e.g. data from a manufacturing facility purchased in November is included from 1 January of the following year)
- **Economic:** all Group companies and facilities for our financial (calendar) year 2022 (see Basis of Consolidation on page 181 of our Annual Report and Accounts 2022)

The rule applied concerning data from site disposals/closures is as follows:

- **Environment:** data is included up until the last full month of Reckitt ownership/control, as far as practical (e.g. data from a manufacturing facility closed in November is included up to the end of October). Data for sold sites is included up to the end of the year during which time Reckitt retained financial control, after which sites which are sold to another operating organisation are removed from the baseline and subsequent reporting
- **Product:** data is included if Reckitt ownership/control extended across the full reporting period

- **Health & Safety:** data is included up until the date of sale/closure, as far as practical (e.g. data from a manufacturing facility sold in November is included up until the date of sale)
- **HR and Diversity:** data, as held in our Human Resources database, on 31 December of the year being reported is included
- **Social metrics:** data is included up until the last full month of Reckitt ownership/control, as far as practical (e.g. data from a manufacturing facility sold in November is included up to the end of October)
- **Economic:** all Group companies and facilities for our financial (calendar) year 2022 (see Basis of Consolidation on page 181 of our Annual Report and Accounts 2022)

2. Reporting specifics and methodology

2.1 – Environment (from manufacturing, warehouses R&D and offices where applicable)

Parameter: Energy use at manufacturing and warehouse facilities

- **Definition:** energy consumption from our global manufacturing and warehouse facilities
- **Scope:** energy consumed within the calendar year at facilities under management control of the Group; including the energy consumed by Combined Heat and Power (CHP) plants. Where energy is generated on-site (i.e. Reckitt owned CHP or on-site renewable energy) and surplus energy is exported back to the local or national grid, then only the energy consumed by the manufacturing site is included, i.e. the energy returned to the grid is excluded. This is because Reckitt's key performance metric is the energy intensity of the manufacturing process
- **Units:** gigajoules (GJ) and kilowatt-hours (kWh)
- **Method:** Energy data is collected using Enablon, the Company's Environment, Health & Safety (EHS) database. To ensure consistency, this can be reported in the same units as the invoiced quantity. This is then converted to kWh and GJ using standard factors
- **Source:** Data is taken from on-site or third-party meter readings or invoiced quantities e.g. natural gas, electricity, oil, LPG, renewable electricity (on-site, PPAs, renewable tariffs and/or renewable certificates)

Parameter: Renewable Electricity

- **Definition:** Percentage renewable electricity of total electricity used (manufacturing and warehousing)
- **Scope:** renewable electricity purchased, generated and consumed within the calendar year for use at facilities (manufacturing and warehousing) under management control of the Group. Renewable electricity sources including on-site generated renewable electricity (e.g. PV solar), off-sites renewable electricity purchased via renewable Purchase Power Agreement, supplier renewable tariff and/or accredited renewable certificates (e.g. Guarantees of Origins, RECs, IRECs)
- **Units:** percentage of total electricity (including electricity supplied from CHP i.e. purchased electricity and on-site generated electricity)
- **Method:** renewable electricity data is collected using Enablon, the Company's EHS database. To ensure consistency, this can be reported in the same units as the invoiced quantity. This is then converted to kWh using standard factors. The final stage is conversion to GJ
- In support of RE100 and our pledge to be proactive on driving national and regional additionality, our renewable energy strategy aims to achieve 100% renewable electricity by 2030 and our reporting aligns with the RE100 reporting guidance, together with the quality criteria for energy attribute certificates as outlined in the WRI/WBCSD GHG Protocol Scope 2 Guidance. In a small number of cases, it is not possible to source renewable electricity fully aligned with the technical guidance, but such volumes in 2022 were deemed to be non-material. Renewable electricity is reported as detailed by the supplier contract and/or certificates. Where a renewable electricity contract is in place for the full reporting year but certificates for the later period of the year cannot be provided by the supplier until after Reckitt's Environmental Data Assurance period, the quantity of renewable electricity is reported as per the contract
- **Source:** Data is taken from renewable electricity on-site and/or off-site PPAs, renewable tariffs supported by supply contracts and/or renewable certificates, together with on-site or third-party meter readings or invoiced quantities

REPORTING CRITERIA AND BASIS OF PREPARATION CONTINUED

Parameter: Greenhouse Gas (GHG) emissions from energy use in manufacturing, warehouse facilities, R&D and offices

- Definition: Greenhouse Gas (GHG) emissions arising from energy consumption at our global manufacturing, R&D, offices and warehouse facilities, in carbon dioxide equivalents (CO₂e)
- Where, GHGs comprise, in line with the GHG Protocol Corporate Accounting and Reporting Standard (WRI & WBCSD, 2004), the six gases listed in the Kyoto Protocol (carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs); and sulphur hexafluoride (SF₆))
- Scope: Scope 1 and Scope 2 CO₂e emissions from energy consumption within the calendar year at manufacturing, R&D, offices and warehouse facilities under the management control of the Group. Scope 2 emissions are reported on both a location and market-based approach in line with the GHG Scope 2 Guidance (WRI & WBCSD, 2015)

The location-based approach is as follows:

- All grid electricity is converted to CO₂e by applying national/state average electricity grid conversion factors relevant to the countries where we operate (i.e. IEA emission factors 2020)
- Any power or heat purchased directly through a third-party CHP is converted to CO₂e by applying the appropriate conversion rate supplied by the third-party or where this is not available, the relevant default grid emission factor as per DEFRA conversion factor guidance and IEA emission factors

The market-based approach is as follows:

- For operations in markets where contractual instruments are available, purchased renewable electricity, which is supported by appropriate evidence from the energy provider (i.e. renewable energy certificates, Guarantees of Origin or similar), and that meets the 'quality criteria' outlined in the GHG Protocol Scope 2 Guidance, is converted to CO₂e by applying supplier specific emission factors
- All purchased electricity, which is not renewable or supported by appropriate evidence, is converted to CO₂e by applying 'Residual Mix' emission factors

- Non-renewable electricity which is purchased in countries where 'Residual Mix' emission factors were not available, is converted to CO₂e by applying average national/state grid emission factors (i.e. IEA emission factors) for the relevant country
- Units: tonnes CO₂e
- Method: calculated by multiplying the reported energy quantities in kWh by the CO₂e emissions conversion factors derived from the most recent currently available location or market-based sources outlined above and local factors where available
- Source: CO₂e emissions are calculated in line with the WRI/ WBCSD Greenhouse Gas Protocol (GHG Protocol) and GHG Protocol Scope 2 Guidance, except as discussed otherwise above. Conversion factors applied are sourced directly from suppliers, the UK Government's DEFRA, International Energy Authority (IEA), Reliable Disclosure Organization (RE-DISS) and Green-e Energy (US Regional Residual Mix Rates). For market-based emissions relating to purchased renewable electricity, where a contract is in place for the full reporting year but certificates for the later period of that year cannot be provided by the supplier until after Reckitt's Environmental Data Assurance period, the supplied renewable electricity and relative GHG emissions will be assumed to be as reported in the previous periods of the same year where certificates have been provided

Parameter: Water use (water withdrawals) at manufacturing and warehouse facilities

- Definition: water use at our global manufacturing and warehouse facilities
- Scope: water used on-site, within the calendar year, inclusive of operational water consumption, water included in our products and domestic water use at facilities under management control of the Group
- Units: cubic metres
- Method: this is collected using Enablon. The quantities can be reported in units to suit the user and are automatically converted into cubic metres
- Source: this is extracted from internally managed databases derived from direct meter readings or third-party meter readings and invoiced quantities

Parameter: Water discharges at manufacturing and warehouse facilities

- Definition: water discharged from our global manufacturing and warehouse facilities
- Scope: water discharges arising from our facilities under management control of the Group, excluding water reuse and recycling and water used on-site for irrigation purposes
- Units: cubic metres
- Method: this is collected using Enablon. The quantities can be reported in units to suit the user and are automatically converted into cubic metres
- Source: this is extracted from internally managed databases and where possible this information is based on invoiced quantities or direct measurement. Where discharges are not metered, or are partially metered, water balance assumptions are made by the reporting site

Parameter: Waste at manufacturing and warehouse facilities

- Definition: total non-hazardous and hazardous waste generated from our global manufacturing and warehouse facilities
- Scope: waste materials generated from our facilities within the calendar year (excluding construction, demolition wastes and whole wooden pallets returned to suppliers), under management control of the Group and removed from site for either recycling or ultimate disposal by third-party waste contractors
- Units: metric tonnes
- Method: using Enablon all wastes are reported and, where required, the quantities are converted to metric tonnes. Volumes of liquids are converted to metric tonnes using an assumed density of 1 (i.e. 1 cubic metre is 1 metric tonne)
- Source: this data comes from internal or third-party databases and/or from invoiced quantities/direct measurement, derived from waste transfer notes

REPORTING CRITERIA AND BASIS OF PREPARATION CONTINUED

Parameter: Manufacturing sites achieving zero waste to landfill

- Definition: Percentage of manufacturing sites which no longer dispose of their non-hazardous or hazardous waste to landfill
- Scope: waste materials generated from our manufacturing facilities within the calendar year (excluding construction, demolition wastes and whole wooden pallets returned to suppliers), under management control of the Group and removed from site for either recycling or ultimate disposal by third-party waste contractors
- Units: percentage of manufacturing sites
- Method: using Enablon all wastes disposal routes and volumes (e.g. recycling, waste to energy, incineration and landfill) are reported for all sites. Zero Waste to Landfill is considered where all waste is disposed of via alternative routes, excluding waste which is legally required to go to landfill
- Source: this data comes from internal or third-party databases and is derived from invoiced quantities/direct measurement, derived from waste transfer notes

Parameter: Waste to landfill from manufacturing and warehouse facilities

- Definition: Percentage of total non-hazardous and hazardous waste generated from our global manufacturing and warehouse facilities that is sent to landfill. 'Sent to landfill' is defined as waste which is disposed of by landfill
- Scope: waste materials generated from our facilities within the calendar year (excluding construction, demolition wastes and whole wooden pallets returned to suppliers), under management control of the Group and removed from site for landfill
- Units: Percentage sent to landfill
- Method: using Enablon all wastes are reported and, where required, the quantities are converted to metric tonnes. Volumes of liquids are converted to metric tonnes using an assumed density of 1 (i.e. 1 cubic metre is 1 metric tonne)
- Source: this data comes from internal or third-party databases and is derived from invoiced quantities/direct measurement, derived from waste transfer notes

Parameter: Hazardous waste at manufacturing and warehouse facilities

- Definition: hazardous waste, defined as: wastes which exhibit one or more hazardous characteristics, (such as being flammable, oxidising, poisonous, infectious, corrosive, ecotoxic) which cause them to be classed or considered by relevant regulators as hazardous. This is a component of total waste and is also reported separately
- Scope: hazardous wastes materials generated from our facilities within the calendar year (excluding construction and demolition wastes), and removed from site for either recycling or ultimate disposal by third-party waste contractors
- Units: metric tonnes
- Method: using Enablon all wastes are reported and, where required, the quantities are converted to metric tonnes. Volumes of liquids are converted to metric tonne using an assumed density of 1 (i.e. 1 cubic metre is 1 metric tonne)
- Source: this data comes from internal or third-party databases and is derived from invoiced quantities/direct measurement, derived from waste transfer notes

Parameter: Waste recycled/ reused at manufacturing and warehouse facilities

- Definition: non-hazardous and hazardous waste recycled and reused. This is a component of total waste and is also reported separately
- Scope: non-hazardous and hazardous waste materials generated from our facilities and removed from site to be either recycled or reused within the calendar year (excluding construction, demolition wastes and whole wooden pallets returned to suppliers), by third-party waste contractors
- Units: metric tonnes
- Method: using Enablon all wastes are reported and, where required, the quantities are converted to metric tonnes. Volumes of liquids are converted to metric tonne using an assumed density of 1 (i.e. 1 cubic metre is 1 metric tonne)
- Source: this data comes from internal or third-party databases and is derived from invoiced quantities/direct measurement, derived from waste transfer notes

Parameter: Units of production (Denominators for GHG emissions, Energy, Water, Waste and Hazardous waste per production unit (Tonne of product produced))

- Definition: A tonne of product produced: the unit of production measure uses is the gross weight of the total product produced, including packaging (primary, secondary, and tertiary), excluding returnable pallets
- Scope: Reckitt manufacturing facilities production volumes
- Units: Tonne of product produced
- Method: using Enablon each Reckitt manufacturing facility reports monthly total gross weight of product produced Source: Total gross weight of product produced is obtained from finance data including JD Edwards or SAP system (linked to the financial reporting system), and shipped weight. The financial data which this is based on is also subject to third-party scrutiny and assessment

Parameter: Environmental and occupational safety prosecutions and fines (not part of the Reckitt sustainability data assurance process)

- Definition: total number of environmental and occupational safety prosecutions and fines resulting from an EHS incident, permit breach or legal non-compliance
- Scope: total number of environmental and occupational safety prosecutions and fines recorded in the reporting year
- Units: number of prosecutions and fines
- Method: All are reported in line with the Global Reckitt Procedure for Internal Reporting of Environment, Health & Safety and Human Rights incidents and, where appropriate, the material spilled, the volume and any other relevant information
- Source: this data comes from internal or third-party databases. Data is input by site level EHS coordinators

2.2 – Our portfolio carbon & water footprints

Method overview

- The key step in quantifying the Scope 3 data for Reckitt's product portfolio consists of conducting approximately 350 detailed (near LCA quality) product footprint assessments and scaling them up by actual regional sales data. The product grouping that results in the selection of 350 of these 'Representative Products' is based on Finance data at the level of segments and formats, which delivers relative formulation and packaging homogeneity. Any differences in product sizes within a group are incorporated in the scaling

REPORTING CRITERIA AND BASIS OF PREPARATION CONTINUED

- The footprint methodology to calculate Consumer Use impacts is based on approximately 155 consumer use models. The models have been built up from primary research, literature and the knowledge of internal experts to represent the impacts from how our consumers use our products around the world. The impacts are calculated per dose of product used and scaled up to the global portfolio using the number of doses sold
- While the core methodology remains consistent year-on-year, we continue to seek ways to improve data processing, data sources and assumptions. On a year-on-year basis we review and update existing product data, consumer use models and models used to quantify other lifecycle steps such as logistics, and aim to increase the number of 'Representative Products' used to calculate raw and packaging material consumption to ensure it remains appropriate for our ever-changing portfolio

Parameter: Global product lifecycle carbon footprint

- Definition: the total carbon footprint is a measure of direct and indirect Greenhouse Gas (GHG) emissions associated with Reckitt products sold during a 12-month period (1 October 2021 to 30 September 2022). GHGs comprise, in line with the GHG Protocol Corporate Accounting and Reporting Standard (WRI & WBSO, 2004), (carbon dioxide (CO₂); methane (CH₄); nitrous oxide (N₂O); hydrofluorocarbons (HFCs); perfluorocarbons (PFCs), sulphur hexafluoride (SF₆) and nitrogen trifluoride (NF₃). The performance is reported in carbon dioxide equivalent (CO₂e)
- Scope: GHG Protocol Scope 1, 2 & 3 emissions (i.e. those associated with the entire lifecycle of Reckitt products sold including the raw and packaging material supply chain, product manufacturing, distribution, retail operations, consumer use, and subsequent disposal/recycling of the product and its packaging). This includes the lifecycle GHG emissions associated with products manufactured at the Company's own manufacturing facilities as well as those manufactured by external third-party facilities producing products for Reckitt under contract. On consumer use, we quantify both direct and indirect emissions in line with the GHG protocol, but the scope of our target only includes direct consumer use emissions
- Units: lifecycle GHG emissions in kg CO₂e

- Method: we have adopted a methodology that makes reference to the following standards and guidance:
 - Greenhouse Gas Protocol, Corporate Value Chain (Scope 3) Accounting and Reporting Standard, September 2011 (https://ghgprotocol.org/sites/default/files/standards/Corporate-Value-Chain-Accounting-Reporting-Standard_041613_2.pdf); and
 - Greenhouse Gas Protocol, Corporate Accounting and Reporting Standard, (<https://ghgprotocol.org/sites/default/files/standards/ghg-protocol-revised.pdf>) March 2004¹
- Source: our GHG emissions are calculated by multiplying publicly available emission factors sourced predominantly from Ecoinvent (<https://www.ecoinvent.org/>), by amounts of materials and packaging included in products sold, energy used and distances travelled. Where available, primary data has been sourced directly from Reckitt's product libraries, environmental reporting and other business management systems and its suppliers/contractors. Where this has not been available, secondary data has been obtained from sources including publicly available LCA databases, journal articles and sources of industry/product/consumer use data. Where available and relevant, this data is region-specific to account for differences in regional production. Sales data has been sourced from Reckitt's sales ledger, Fusion

Impact is calculated per dose of product used and scaled up to the global portfolio using the number of doses sold based on sales data across our countries and brands for the reporting year.

For the purpose of the metric, we assume that the period in which our products are used is consistent with the period in which our products are sold. In a limited number of cases, we apply adjustments where we are aware that the time period of our sales and the use of our products are not aligned. This is done to ensure our metric most accurately reflects the footprint of our products used in the reporting period.

Reckitt's product portfolio contains a number of products, which are used in conjunction with products sold by other manufacturers, e.g. dishwasher tablets used in a dishwasher that is not sold by Reckitt. In line with the GHG Protocol, we exclude indirect consumer use such as the carbon associated with the use of the dishwasher from our

reduction target. However, we continue to quantify and publish the associated emissions. In addition, Reckitt's product portfolio contains a number of 'additives' (e.g. fabric softeners, dishwasher rinse aids) that are used in conjunction with products which are the primary 'driver' (detergents, dishwasher tablets) of specific consumer activities. While the raw material, packaging, manufacturing and disposal impact of these additives is included within our footprint, the carbon impact associated with the consumer use activity has not been incorporated (or double counted) on the basis that it has already been accounted for in the use of the 'driver' product.

Where specific product information was not available, we have applied proxy data sets based on comparable products, which we believe to be sufficiently similar to enable the calculation of a representative footprint.

We have endeavoured to apply complete coverage of our global emissions based on the scope and boundaries defined in the standards referenced. However, there are limited, specific and (in terms of our global products' overall lifecycle carbon footprint) non-material exclusions from the scope of the reported data, which includes business travel by forms other than air (i.e. in company cars, use of private cars for business travel and train travel). GHG emissions associated with these sources were estimated for 2011 (business travel) and found to be less than 0.1% of our global value chain carbon footprint, therefore we exclude these from regular reporting on the basis of non-materiality. No sources were knowingly excluded without initial quantification and assessment to confirm that they did not make a material contribution to the Total Carbon Footprint either in isolation or in aggregate.

1. PAS2050 was developed to assess the carbon footprint of individual goods and services; however, Reckitt's Total Carbon and Water Measurement System applies PAS2050 to determine the carbon footprint contribution of all key stages in the product lifecycle of its global product portfolio on an annual basis. As a result of this difference between intended use and the actual use in the context of Reckitt's Measurement System, direct application of every single element of PAS2050 across the whole lifecycle of Reckitt's global products has by nature not been appropriate on every single occasion although overall the Measurement System is in line with the PAS2050 specification

REPORTING CRITERIA AND BASIS OF PREPARATION CONTINUED

Parameter: Global product lifecycle water footprint

- **Definition:** the total water use footprint is a measure of direct and indirect water use associated with Reckitt products sold during the 12-month period (1 October 2021 to 30 September 2022). Water use includes freshwater including water abstracted from surface and groundwater, municipal water. The use of non-freshwater (i.e. sea water) has been excluded. The exclusion of rainwater is a method change to incorporate the latest developments on water footprinting into our method to coincide with a corporate reset of our sustainability ambitions
- **Scope:** water use upstream and downstream of our manufacturing sites across the entire lifecycle of Reckitt products sold including the raw and packaging material supply chain, product manufacturing, distribution, retail operations, consumer use, and subsequent disposal/recycling of the product and its packaging). This includes the lifecycle water use associated with products manufactured at the Company's own manufacturing facilities as well as those manufactured by external third-party facilities producing products for Reckitt under contract. On consumer use, we mirror the direct/indirect approach we have taken for carbon, by including direct controllable and uncontrollable consumer use (e.g. products that require dilution and products used for showering, respectively), but exclude water used by consumers in appliances that are not sold by Reckitt as well as indirect water use associated with e.g. auxiliary materials such as cloths used in surface cleaning
- **Units:** lifecycle water use (litres) for products sold in the calendar year

Method: we have adopted a methodology that makes reference to the following standards and guidance and is similar to what the standard describes as 'water footprint inventory': ISO 14046 (2014) Environmental management Water footprint — Principles, requirements and guidelines. The total water footprint calculates the 'water use', which is the amount of water withdrawn, rather than the approach more often taken for water footprinting which considers 'water consumption', i.e. only the amount of water that does not return to the catchment from which it was withdrawn. This approach is driven by the desire to drive behaviour change across all lifecycle stages particularly within product Research

& Development, new product innovation and consumer use of products. Water pollution and water quality impacts have not been included in the measurement system and water pollution is monitored through other corporate programmes.

We continue to seek ways to improve data processing, data sources and assumptions. On a year-on-year basis we review and increase the number of 'Representative Products' used to calculate raw and packaging material consumption to ensure it remains appropriate for our ever-changing portfolio.

- **Source:** our water use is calculated by multiplying publicly available water factors by volumes of materials and packaging included in products sold, as well as accounting for product water use in manufacturing and consumer use of our products
- **Data:** where available, primary data has been sourced directly from Reckitt's product libraries, environmental reporting and other business management systems and its suppliers/contractors. Where this has not been available, secondary data has been obtained from sources including publicly available LCA databases, journal articles and sources of industry/product/consumer use data. Where available and relevant, this data is region-specific to account for differences in regional production. Sales data has been sourced from Reckitt's ICE management information system

Reckitt's product portfolio contains a number of products, which are used in conjunction with products sold by other manufacturers, e.g. dishwasher tablets used in a dishwasher that is not sold by Reckitt. In line with the GHG Protocol, we exclude indirect consumer use such as the carbon associated with the use of the dishwasher from our reduction target. However, we continue to quantify and publish the associated emissions. In addition, Reckitt's product portfolio contains a number of 'additives' (e.g. fabric softeners, dishwasher rinse aids) that are used in conjunction with products which are the primary 'driver' (detergents, dishwasher tablets) of specific consumer activities. While the raw material, packaging, manufacturing and disposal impact of these additives is included within our footprint, the water footprint associated with the consumer use activity has never been incorporated (or double counted) on the basis that it has already been accounted for in the use of the 'driver' product. To drive consistency with our global product carbon footprint, we are

mirroring a distinction between direct water use in the consumer use phase, and indirect consumer use. Indirect for the purposes of reporting consists of water used in appliances not sold by Reckitt, e.g. dishwashers and washing machines (on the basis that these will be included in other companies' Scope 3 reporting), as well as water used in the production of auxiliaries such as cleaning cloths or paper towels. Direct consumer use includes e.g. water used to dilute concentrates and water used for washing of hand and body.

Where specific product information was not available, we have applied proxy data sets based on comparable products which we believe to be sufficiently similar to enable the calculation of a representative footprint.

We have endeavoured to apply complete coverage of our global water use based on the scope and boundaries defined in the standards referenced. However, there are limited, specific and (in terms of our global products' overall lifecycle water use footprint) non-material exclusions from the scope of the reported data, which includes direct water use in transport (e.g. vehicle washing) and waste disposal. These have been excluded from regular reporting on the basis of non-materiality. No sources were knowingly excluded without initial quantification and assessment to confirm that they did not make a material contribution to the total water use footprint either in isolation or in aggregate.

Parameter: Net revenue from more sustainable products

- **Definition:** Reckitt Benckiser Group plc net revenue attributable to 'more sustainable' products during a 12-month period. Reckitt defines 'more sustainable' as a product that scores 'better' on at least one of the five parameters (see table) at time of launch, when compared to a previous product version or brand average where no previous version exists. For a 'more sustainable' rating overall, the aggregate across the five parameters needs to be +10 points or more. This means trade-offs are allowed
- **Scope:** Reckitt Benckiser Group plc net revenue attributable to sales from 'more sustainable' products during a 12-month period (1 October 2021 – 30 September 2022). 'More sustainable' products are measured by Reckitt's Sustainable Innovation Calculator (SIC), a streamlined Lifecycle Assessment (LCA) tool that models the environmental impacts of products




REPORTING CRITERIA AND BASIS OF PREPARATION CONTINUED

- Units: £ million
- Method: The Reckitt sustainability team compile and validate a master list of 'more sustainable' products using the Reckitt SIC. The methodology applied is consistent with that set out for the carbon, and water footprints. Carbon and water factors are applied to the raw material and packaging data of the selected products. These publicly available emission factors are sourced from Ecoinvent or the IEA and were updated during 2022 to reflect additional data-sets and more accurate data that had become available (e.g. Ecoinvent 3.8). The Plastics Indicator was added in June 2019 and only applies to projects launched after 1 June 2019. From January 2021, when considering the Ingredients parameter, we assess hazard, biodegradable, circular and chemical footprint properties of the raw materials. To score a 'better' on Ingredients, the product must achieve a 10-point improvement vs the benchmark similar to the other metrics. Net revenue generated by the Reckitt Group for the 'more sustainable products' is obtained from the Reckitt finance team for all relevant countries in which the relevant products are sold and consolidated
- Source: Net revenue generated by the Reckitt Group for the 'more sustainable products' is obtained from the Reckitt's sales ledger, Fusion

2.3 – HR performance

Parameter: Nationalities (not part of the Reckitt sustainability data assurance process)

- Definition: The number of nationalities at Board level; in the next-three bands of management of the Group (the Executive Committee, the Group Leadership Team and the Senior Management Team) and amongst all employees globally for whom data is available, on the last day of the Company's financial year (31 December)
- Scope: All full or part time permanent employees (i.e. excludes contract employees)
- Units: Number of different nationalities (i.e. employees' self-stated nationality, as determined in line with the United Nations current list of global countries)
- Method: The number of employee self-stated nationalities. Where an employee states that they have two or more nationalities, the nationality that they state first (or in the case of the Board

DIAL SCORE	CARBON (g CO ₂ e/dose)	WATER (Effective water L/dose)	PLASTICS (Reduction/%PCR/ Recyclability)	PACKAGING (Reduction/%PCR/ Recyclability)	INGREDIENTS (Based on four Green Chemistry KPIs)	OVERALL SCORE (An aggregate score of all five dials)
	≥ 10 points (≥ 10 reduction)			≥ 10 points		MORE SUSTAINABLE ≥ 10 points
	≥ -1.5 points to < 10 points (between 1.5% increase and 10% reduction)			> -10 points to < 10 points		AS SUSTAINABLE > -10 points to < 10 points
	≤ -1.5 points (≥ 1.5% increase)			≤ -10 points		LESS SUSTAINABLE ≤ -10 points

and Executive Committee, that they asked to be taken as their principal nationality) is the nationality which is used

- Source: The Group's global HR database system, myRB

Parameter: Gender split

- Definition: The percentage of female employees at: Board level; in the next three bands of management of the Group (the Executive Committee, the Group Leadership Team and the Senior Management Team); and amongst all employees globally for whom data is available, on the last day of the Company's financial year (31 December)
- Scope: All full or part time permanent employees (i.e. excludes contract employees)
- Units: Percentage (%)
- Method: Percentage – calculated as the number of female employees divided by the total number of employees of that population for which data is reported (i.e. the Board; the next three bands of management of the Company; and for all employees)
- Source: The Group's global HR database system, myRB

2.4 – Health & safety at work

Health & safety data comprises the data reported to and by Reckitt's manufacturing facilities, R&D centres, warehouses and commercial offices

Parameter: Lost Work Day (LWD) accidents

- Definition: a work-related accident/incident during the reporting period which resulted in an employee (including contract labour/temporary employees/contractors while on-site) being unable to undertake/complete their duties on the following scheduled work day/shift. This includes work-related travel but excludes travel to and from an employee's normal place of work unless this is transport organised by Reckitt
- Scope: covers Reckitt employees and contract labour/temporary over whom we have management control, plus contractors who visit the site for a short time to complete a specific work task, plus 'permanent' contractors who manage their own area and staff, plus visitors to the site
- Units: number of accidents
- Method: absolute number reported
- Source: global, facility-level monthly health & safety reporting; and, global, facility-level annual health & safety data reporting process

REPORTING CRITERIA AND BASIS OF PREPARATION CONTINUED

Parameter: Lost Work Day Accident Frequency Rate

- Definition: number of LWD accidents suffered per 100,000 hours worked. Working hours include standard hours and overtime and exclude absence through sickness, holiday and approved leave
- Scope: same scope as LWD Accident
- Units: rate per 100,000 hours worked
- Method: number of LWD accidents per 100,000 hours worked
- Source: global, facility-level monthly health & safety reporting; and global, facility-level annual health & safety data reporting process

Parameter: Recordable accidents

- Definition: the number of fatalities, severe accidents, lost work days, restricted work cases and offsite medical treatment related accidents/incidents recorded during the reporting period
- Scope: same scope as LWD Accident
- Units: absolute number
- Method: absolute number reported
- Source: global, facility-level monthly health & safety reporting; and, global, facility-level annual health & safety data reporting process

Parameter: Total Recordable Frequency Rate

- Definition: number of work-related accident/incidents suffered per 100,000 hours worked. Working hours include standard hours and overtime and exclude absence through sickness, holiday and approved leave
- Scope: same scope as LWD accident
- Units: rate per 100,000 hours worked
- Method: number of recordable accidents per 100,000 hours worked
- Source: global, facility-level monthly health & safety reporting; and, global, facility-level annual health & safety data reporting process

Parameter: Occupational illness cases

- Definition: number of occupation illness cases recorded during the reporting period
- Scope: same scope as LWD Accident
- Units: absolute number
- Method: absolute number reported
- Source: global, facility-level monthly health & safety reporting; and global, facility-level annual health & safety data reporting process

Parameter: Occupational Illness Frequency Rate

- Definition: number of occupation illness cases recorded per 100,000 hours worked. Working hours include standard hours and overtime and exclude absence through sickness, holiday and approved leave
- Scope: same scope as LWD Accident
- Units: rate per 100,000 hours worked
- Method: number of occupation health injuries and illnesses per 100,000 hours worked
- Source: global, facility-level monthly health & safety reporting; and global, facility-level annual health & safety data reporting process

Parameter: Severe accidents

- Definition: a work-related accident/incident during the reporting period which resulted in permanent disability of an employee (including contract labour/temporary employees) on-site or while on company business (including business travel), or of a contractor/visitor while on-site. For example, amputations or any permanent loss of sensory or motor dexterity (such as the loss of a fingertip)
- Scope: same scope as LWD Accident
- Units: absolute number
- Method: absolute number reported
- Source: global, facility-level monthly health & safety reporting; and global, facility-level annual health & safety data reporting process

Parameter: Fatality

- Definition: a work-related accident/incident during the reporting period which resulted in the death of an employee (including

contract labour/temporary employees) on-site or while on company business (including business travel), or of a contractor/visitor while on-site

- Scope: same scope as LWD Accident
- Units: absolute number
- Method: absolute number reported
- Source: global, facility-level monthly health & safety reporting; and, global, facility-level annual health & safety data reporting process

2022 Reckitt basis of preparation relating to the following social sustainability performance indicator selected for independent assurance

Target to 2030: Engage 2 billion people with purpose-led partnerships, programmes and campaigns to promote awareness for a cleaner, healthier world.

1. Introduction

ERM CVS has been appointed to provide limited assurance for the selected performance indicator relating to the above social sustainability target. This Basis of Preparation document sets out how the selected performance indicator, described in Section 2 below, has been prepared and reported, including the reporting periods.

This document has been prepared to align with our wider business goals and processes. As there are no mandatory guidelines or requirements applicable to the information in scope, we have captured all data through our internal data collection processes. These have been established in accordance with common industry practice, including where appropriate, estimates and assumptions.

2. Scope of criteria

This document summarises the definition, organisational reporting boundary and data preparation for the performance indicator listed below.

We have made all endeavours to prepare a complete, accurate and consistent dataset, which reflects true performance and is meaningful to the user of the information. This is a relatively new area of reporting for Reckitt, and our data collection processes

REPORTING CRITERIA AND BASIS OF PREPARATION CONTINUED

are emerging. Where any assumptions or estimations have been required, or specific exclusions are made, we have outlined these within this document. As with all our data processes, we aim for transparency and strive for continuous improvement.

2.1. Social sustainability performance indicator

Various activities contribute to Reckitt's 2030 target to engage 2 billion people with purpose-led partnerships, programmes and campaigns to promote awareness for a cleaner, healthier world.

All these programmes will contribute to a common performance indicator: the total number of people who are reached, directly or indirectly, through educational messaging.

Each contributing programme for the year is outlined in Section 4, providing the following information:

- Brand
- Programme
- Countries or regions of scope

The activities included for each year will be those that have been reported in that year. This will not always match calendar year dates, with some activities operating different reporting schedules. Where this is the case, activities will state the date range for the data collected, so it may be compared to previous year's entries.

2.2. Definitions

Educational messaging

Educational messaging is defined as messages that aim to create a cleaner, healthier world, delivered through a brand- or Reckitt-sponsored partnership, programme or campaign.

A full list of the partnerships, programmes or campaigns is outlined in Section 4.

Reach

Total reach is the total number of people encouraged to improve their behaviour due to educational messages. It is calculated as the total number of 'direct reach' and 'indirect reach' per educational partnership, programme or campaign.

Direct reach is the total number of people who engage with a partnership, programme or campaign where there is the potential for interaction between the person and the activity they are engaging with.

This could include a presentation or lecture where there is scope for questions, a digital curriculum supported by tutors, or the distribution of educational materials via a professional (e.g. health care professional).

Indirect reach is the total number of people who engage with a partnership, programme or campaign through the receipt of educational messaging, without the opportunity to engage further.

This could include:

- Watching educational video content, where the video uses an educational format. Please note: short product adverts, even containing information, do not qualify
- Accessing educational content on a brand website – e.g. health & hygiene tips (for example, Your Family, Illness & Prevention, Healthy homes and Personal Hygiene sections on Dettol website), malaria prevention tips for Mortein or consuming educational content on the Durex website; only unique visits counted and only if the visit was at least 60 seconds long.
- Online engagement with an educational campaign or an eCRM campaign: pledging support to the cause, or voting/participating in a campaign (e.g. pledges on websites for Global Handwashing Day)
- Sufficient engagement with educational content placed on social platforms (e.g. content placed on Facebook, TikTok, Weibo, VKontakte)

3. Performance data preparation

Our objective is to gather and report reliable and robust data. We are committed to providing transparency on the quality of the data where we consider there are matters which are material to users of the information.

3.1. Evidence requirements

Each partnership, programme or campaign that reports data against 'Total Reach' will submit supporting data showing clear evidence for reported reach. The information we report is subject to internal review processes.

Evidence could include:

- Agency reports detailing unique users, readers, video views or engagement through social media
- Digital campaign data showing engagement through votes, pledges, sign ups etc
- Social media data showing meaningful engagement. (Please note, 'likes' are not included, and users must take a further action, such as commenting on or sharing a post, or viewing an educational video.)
- eCRM data showing the opening of educational emails

3.2. Controlling for duplication

Where a partnership, programme, or campaign is active over a period, with multiple rounds of educational messaging delivered in the same area, only unique individuals will be counted. Where information on unique individuals is not available, we use the total reach figure for only the largest event per region, and assume all other reach is duplicative.

Where a partnership, programme, or campaign contributes to both direct and indirect reach, if there is a risk of people being included in both categories, the direct reach is excluded from the total figure to avoid duplication.

Where different educational programmes are run in the same regions, exposure to more than one educational programme could happen. Where this occurs, we use the total reach figure for only the largest event per region, and assume all other reach is duplicative.

3.3. Continuous improvement of data

Our data reporting systems for brand social sustainability targets and performance are evolving and we continue to work to align data recording and reporting methods across the Reckitt organisation. This includes working with third parties where we rely on their data to provide input and support our performance.

REPORTING CRITERIA AND BASIS OF PREPARATION CONTINUED

4. Included programmes for 2022

Brand	Programme	Countries/regions of scope
Air Wick	Ecosystem restoration	Brazil
Dettol	Hygiene education in schools	Australia, Bangladesh, China, Greece, Hong Kong, India, Indonesia, Kenya, Nigeria, Poland, Saudi Arabia, South Africa
	Hygiene education and awareness for communities	Bangladesh, China, India, Indonesia
	New Mums Programme: providing hygiene education to new mothers	China, India, Indonesia, South Africa
Durex	Youth sexual health education	India
	Family planning education	Indonesia
Enfamil	Embrace Life	Mexico, Philippines, Thailand
	Nutrition education	Poland
Finish	Water saving education	Germany, Italy, Portugal, South Africa, UAE
Harpic	Sanitation and health education	India
Intima	Women's health	France
Lysol	Hygiene education in schools	Czech Republic, Russia
	Hygiene education and awareness for communities	Colombia
	New Mums programme: providing hygiene education to new mothers	US
	Support for vulnerable communities	Colombia, Czech Republic, Peru, US
	Fluency	US
Nurofen	COVID-19 vaccine education	Poland
	First aid education	Israel
Nutramigen	Nutrition education	Poland
Sagrotan	New Mums programme	Germany
Sico	Health education and awareness for communities	Mexico
Vanish	Help clothes live longer	Colombia, Chile, Czech Republic, New Zealand, Peru, Slovakia
Reckitt	Cost of living crisis support	Canada, UK
	Ecosystem restoration	India
	Maternal and child health	China, India, Mexico, US, Vietnam
	Family support	Czech Republic, Slovakia
	Water and sanitation access	Colombia, India, Indonesia, Kenya, Pakistan



SASB INDEX

Reckitt Sustainability Insights 2022



SASB INDEX 2022

Sustainability Accounting Standards Board (SASB) Index

Reckitt has reported against Sustainability Accounting Standards Board's (SASB) Household and Personal Products standard, as defined by SASB's Sustainable Industry Classification System. Our reporting against the SASB standards is a voluntary disclosure to support the growing information needs of our stakeholders. As such, we are committed to providing more useful, relevant and meaningful sustainability information.

In the table below, we identify our initial disclosures or locations where further information can be found for topic areas. We will continue to evaluate these disclosures in the future and therefore may evolve over time as the sustainability reporting landscape changes.

SASB Code	SASB Topic	SASB Metric	Location or response
CG-HP-140a.1	Water Management	(1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress*	Water Insight and CDP Water response
CG-HP-140a.2		Description of water management risks and discussion of strategies and practices to mitigate those risks	Water Insight and CDP Water response
CG-HP-250a.1	Product Environmental, Health and Safety Performance	Revenue from products that contain REACH substances of very high concern (SVHC)	Not reported
CG-HP-250a.2		Revenue from products that contain substances on the California DTSC Candidate Chemicals List	As part of our Sustainability Ambitions announced in 2021, we shared Reckitt's goal to reduce our chemical footprint. We measure our chemical footprint as the net revenue we earn from Stock Keeping Units (SKUs) containing Chemicals of High Concern (CoHCs) at >0.1% (by weight). Our commitment for 2030 is to reduce the chemical footprint by 65% against our 2020 baseline, as a proportion of our total net revenue. Our CoHC list is science led – it includes chemicals that are considered too hazardous to intentionally use in consumer products, as well as those that are of concern to civil society or pose a reputational risk to Reckitt. All CoHCs are banned from use in our products and we actively working to reduce any presence from impurities. In 2022, we focused on embedding the chemical footprint programme across our business and have been consolidating the data underpinning our chemical footprint and refining our methodology. This will allow us to report year-on-year improvements in a consistent way from 2023 onwards.
CG-HP-250a.3		Discussion of process to identify and manage emerging materials and chemicals of concern	Restricted Substances List Policy Product Stewardship Insight Product Safety and Quality Insight
CG-HP-250a.4		Revenue from products designed with green chemistry principles	Not reported Our Sustainable Innovation Calculator tool captures revenue from sustainable products, which includes green chemistry principles (as well as carbon, water, plastics and packaging). However, at this time, we are unable to separate the net revenue from green chemistry from the total net revenue score. However, we will assess the feasibility of this for 2023 reporting onwards.

SASB INDEX 2022

SASB Code	SASB Topic	SASB Metric	Location or response
CG-HP-410a.1	Packaging Lifecycle Management	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	Plastics and Packaging Insight Biodiversity and Ecosystems Insight
CG-HP-410a.2		Discussion of strategies to reduce the environmental impact of packaging throughout its lifecycle	Plastics and Packaging Insight
CG-HP-430a.1	Environmental & Social Impacts of Palm Oil Supply Chain	Amount of palm oil sourced, percentage certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as (a) Identity Preserved, (b) Segregated, (c) Mass Balance, or (d) Book & Claim	Biodiversity and Ecosystems Insight
CG-HP-000.A	Activity	Units of products sold, total weight of products sold	Reporting Criteria and Basis of Preparation
CG-HP-000.B		Number of manufacturing facilities	Reporting Criteria and Basis of Preparation



GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

Reckitt Sustainability Insights 2022



GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX

We have prepared our 2022 sustainability reporting with reference to the latest set of GRI Standards as of March 2023. Our GRI Content Index is provided to help those looking for information on specific indicators.

Our sustainability insights report progress for the calendar year to 31 December 2022, unless other timescales are specifically noted.

References to the Annual Report and Accounts and Sustainability Insights refers to 2022, unless otherwise stated.

Disclosure	Requirement	Location	Page
GRI 2	GENERAL DISCLOSURES 2021		
	THE ORGANIZATION AND ITS REPORTING PRACTICES		
2-1	Organizational details	<u>Annual Report and Accounts</u>	229-240
2-2	Entities included in the organization's sustainability reporting	<u>Annual Report and Accounts: subsidiary undertakings</u> <u>Reporting Criteria and Basis of Preparation</u>	229-240
2-3	Reporting period, frequency and contact point	<u>Annual Report and Accounts</u> <u>Sustainability Governance, Reporting and Assurance Insight</u>	
2-4	Restatements of information	<u>Annual report and Accounts: KPIs (for GHG emissions, Water use per tonne of production, Product footprint)</u> <u>Sustainability Governance, Reporting and Assurance Insight</u> <u>Reporting Criteria and Basis of Preparation</u>	18-19, 67
2-5	External assurance	<u>Sustainability Governance, Reporting and Assurance Insight</u>	
	ACTIVITIES AND WORKERS		
2-6	Activities, value chain and other business relationships	<u>Annual Report and Accounts: Our business model</u>	13
2-7	Employees	<u>Annual Report and Accounts</u> <u>Our People Insight</u>	191
2-8	Workers who are not employees	Not currently reported	
	GOVERNANCE		
2-9	Governance structure and composition	<u>Annual Report and Accounts: Governance</u>	90 - 97
2-10	Nomination and selection of the highest governance body	<u>Annual Report and Accounts: Nomination Committee Report</u>	109 - 112
2-11	Chair of the highest governance body	<u>Annual Report and Accounts: Board leadership and company purpose</u>	91
2-12	Role of the highest governance body in overseeing the management of impacts	<u>Annual Report and Accounts: Governance</u> <u>Sustainability Governance, Reporting and Assurance Insight</u>	90 - 97
2-13	Delegation of responsibility for managing impacts	<u>Annual Report and Accounts: Corporate Governance Report</u>	90 - 97
2-14	Role of the highest governance body in sustainability reporting	<u>Annual Report and Accounts: Corporate Governance Report</u>	90 - 97
2-15	Conflicts of interest	<u>Annual Report and Accounts: Corporate Governance Report</u> <u>Code of Conduct</u>	105

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX CONTINUED

Disclosure	Requirement	Location	Page
2-16	Communication of critical concerns	<u>Annual Report and Accounts: Corporate Governance Report</u> <u>Annual Report and Accounts: CRSEC Committee report</u> <u>Sustainability Governance, Reporting and Assurance Insight</u> <u>Ethical Behaviour Insight</u>	97 120 - 125
2-17	Collective knowledge of the highest governance body	<u>Annual Report and Accounts: Board leadership and company purpose</u>	100
2-18	Evaluation of the performance of the highest governance body	<u>Annual Report and Accounts: Composition, succession and evaluation</u>	107 - 108
2-19	Remuneration policies	<u>Annual Report and Accounts: Directors' Remuneration Report</u>	126 - 155
2-20	Process to determine remuneration	<u>Annual Report and Accounts: Directors' Remuneration Report</u>	126 - 155
2-21	Annual total compensation ratio	<u>Annual Report and Accounts: Directors' Remuneration Report</u>	126 - 155
STRATEGY, POLICIES AND PRACTICES			
2-22	Statement on sustainable development strategy	<u>Annual Report and Accounts: Our sustainability approach and performance</u> <u>Annual Report and Accounts: CRSEC Committee report</u> <u>Our Sustainability Ambitions Insight</u>	16 - 17 120 - 125
2-23	Policy commitments	<u>Code of Conduct</u>	
2-24	Embedding policy commitments	<u>Annual Report and Accounts: Non-financial information statement</u>	65 - 66
2-25	Processes to remediate negative impacts	<u>Ethical Behaviour Insight</u> <u>Code of Conduct</u> <u>Modern Slavery Statement</u> (2022 update will be published during 2023) <u>Human Rights Insight</u>	
2-26	Mechanisms for seeking advice and raising concerns	<u>Code of Conduct</u>	
2-27	Compliance with laws and regulations	<u>Policies and reports</u> <u>Code of Conduct</u>	
2-28	Membership associations	<u>Reckitt Trade Association Membership and spend 2021</u> (2022 update will be published during 2023)	
STAKEHOLDER ENGAGEMENT			
2-29	Approach to stakeholder engagement	<u>Annual Report and Accounts: Stakeholder engagement</u> <u>Annual Report and Accounts: Section 172 statement</u> <u>Focusing on what matters</u>	47 - 58 62
2-30	Collective bargaining agreements	Not currently reported	

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX CONTINUED

Disclosure	Requirement	Location	Page
GRI 3	MATERIAL TOPICS 2021 – DISCLOSURES ON MATERIAL TOPICS		
3-1	Process to determine material topics	Focusing On What Matters Insight	
3-2	List of material topics	Focusing On What Matters Insight	
3-3	Management of material topics	Sustainability Insights	
GRI 201	ECONOMIC PERFORMANCE		
201-1	Direct economic value generated and distributed	Annual Report and Accounts: Group financial review	68 - 79
201-2	Financial implications and other risks and opportunities due to climate change	Annual Report and Accounts: TCFD summary Climate Change Insight	59
201-3	Defined benefit plan obligations and other retirement plans	Annual Report and Accounts: Notes to the financial statements	187
201-4	Financial assistance received from government	Not currently reported	
GRI 202	MARKET PRESENCE		
202-1	Ratios of standard entry level wage by gender compared to local minimum wage	Not currently reported	
202-2	Proportion of senior management hired from the local community	Not currently reported	
GRI 203	INDIRECT ECONOMIC IMPACTS		
203-1	Infrastructure investments and services supported	Social impact investment report Partnering for Social Impact Insight	
203-2	Significant indirect economic impacts	Social impact investment report Partnering for Social Impact Insight Human Rights Across Our Value Chain Insight Biodiversity and Ecosystems Insight	
GRI 204	PROCUREMENT PRACTICES		
204-1	Proportion of spending on local suppliers	Not currently reported	
GRI 205	ANTI-CORRUPTION		
205-1	Operations assessed for risks related to corruption	Ethical Behaviour Insight Human Rights Across Our Value Chain Insight	
205-2	Communication and training about anti-corruption policies and procedures	Annual Report and Accounts: CRSEC Committee report Code of Conduct Ethical Behaviour Insight	123
205-3	Confirmed incidents of corruption and actions taken	Ethical Behaviour Insight	

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX CONTINUED

Disclosure	Requirement	Location	Page
GRI 206	ANTI-COMPETITIVE BEHAVIOR		
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	Annual Report and Accounts: CRSEC Committee report Code of Conduct Ethical Behaviour Insight	123
GRI 207	TAX		
207-1	Approach to tax	Reckitt Tax Strategy	
207-2	Tax governance, control and risk management	Reckitt Tax Strategy	
207-3	Stakeholder engagement and management of concerns related to tax	Reckitt Tax Strategy	
207-4	Country-by-country reporting	Not currently reported	
GRI 301	MATERIALS		
301-1	Materials used by weight or volume	Plastics and Packaging Insight Biodiversity and Ecosystems Insight	
301-2	Recycled input materials used	Plastics and Packaging Insight Biodiversity and Ecosystems Insight	
301-3	Reclaimed products and their packaging materials	Not currently reported	
GRI 302	ENERGY		
302-1	Energy consumption within the organization	Annual Report and Accounts Climate Change Insight	56
302-2	Energy consumption outside of the organization	Not currently reported	
302-3	Energy intensity	Climate Change Insight	
302-4	Reduction of energy consumption	Climate Change Insight	
302-5	Reductions in energy requirements of products and services	Not currently reported	
GRI 303	WATER AND EFFLUENTS		
303-1	Interactions with water as a shared resource	Water Insight	
303-2	Management of water discharge related impacts	Water Insight	
303-3	Water withdrawal	Water Insight	
303-4	Water discharge	Water Insight	
303-5	Water consumption	Water Insight	

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX CONTINUED

Disclosure	Requirement	Location	Page
GRI 304	BIODIVERSITY		
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Not currently reported	
304-2	Significant impacts of activities, products and services on biodiversity	<u>Biodiversity and Ecosystems Insight</u>	
304-3	Habitats protected or restored	<u>Biodiversity and Ecosystems Insight</u>	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	Not currently reported	
GRI 305	EMISSIONS		
305-1	Direct (Scope 1) GHG emissions	<u>Annual Report and Accounts</u> <u>Climate Change Insight</u>	67
305-2	Energy indirect (Scope 2) GHG emissions	<u>Annual Report and Accounts</u> <u>Climate Change Insight</u>	67
305-3	Other indirect (Scope 3) GHG emissions	<u>Climate Change Insight</u>	
305-4	GHG emissions intensity	<u>Annual Report and Accounts</u> <u>Climate Change Insight</u>	67
305-5	Reduction of GHG emissions	<u>Annual Report and Accounts</u> <u>Climate Change Insight</u>	18
305-6	Emissions of ozone-depleting substances (ODS)	Not currently reported	
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Not currently reported	
GRI 306	EFFLUENTS AND WASTE		
306-1	Waste generation and significant waste-related impacts	<u>Waste Insight</u>	
306-2	Management of significant waste-related impacts	<u>Waste Insight</u>	
306-3	Waste generated	<u>Waste Insight</u>	
306-4	Waste diverted from disposal	<u>Waste Insight</u>	
306-5	Waste directed to disposal	<u>Waste Insight</u>	
GRI 308	SUPPLIER ENVIRONMENTAL ASSESSMENT		
308-1	New suppliers that were screened using environmental criteria	<u>Human Rights Across Our Value Chain Insight</u> <u>Ethical Behaviour Insight</u>	
308-2	Negative environmental impacts in the supply chain and actions taken	<u>Human Rights Across Our Value Chain Insight</u> <u>Biodiversity and Ecosystems Insight</u>	

GLOBAL REPORTING INITIATIVE (GRI) CONTENT INDEX CONTINUED

Disclosure	Requirement	Location	Page
GRI 401	EMPLOYMENT		
401-1	New employee hires and employee turnover	Our People Insight	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Our People Insight	
401-3	Parental leave	Our People Insight Inclusion Insight	
GRI 402	LABOR/MANAGEMENT RELATIONS		
402-1	Minimum notice periods regarding operational changes	Not currently reported	
GRI 403	OCCUPATIONAL HEALTH AND SAFETY		
403-1	Occupational health and safety management system	Health, Safety and Wellbeing Insight	
403-2	Hazard identification, risk assessment and incident investigation	Health, Safety and Wellbeing Insight	
403-3	Occupational health services	Health, Safety and Wellbeing Insight	
403-4	Worker participation, consultation, and communication on occupational health and safety	Health, Safety and Wellbeing Insight	
403-5	Worker training on occupational health and safety	Health, Safety and Wellbeing Insight	
403-6	Promotion of worker health	Health, Safety and Wellbeing Insight	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health, Safety and Wellbeing Insight	
403-8	Workers covered by an occupational health and safety management system	Health, Safety and Wellbeing Insight	
403-9	Work-related injuries	Health, Safety and Wellbeing Insight	
403-10	Work-related ill health	Health, Safety and Wellbeing Insight	
GRI 404	TRAINING AND EDUCATION		
404-1	Average hours of training per year per employee	Health, Safety and Wellbeing Insight Human Rights Across Our Value Chain Insight	
404-2	Programs for upgrading employee skills and transition assistance programs	Not currently reported	
404-3	Percentage of employees receiving regular performance and career development reviews	Our People Insight	

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Disclosure	Requirement	Location	Page
GRI 405	DIVERSITY AND EQUAL OPPORTUNITY		
405-1	Diversity of governance bodies and employees	Annual Report and Accounts 2022 Inclusion insight	104-109
405-2	Ratio of basic salary and remuneration of women to men	Annual Report and Accounts 2022 Inclusion insight Gender Pay Gap Report	67
GRI 406	NON-DISCRIMINATION		
406-1	Incidents of discrimination and corrective actions taken	Ethical Behaviour Insight Human Rights Across Our Value Chain Insight Modern Slavery Report	
GRI 407	FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING		
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Human Rights Across Our Value Chain Insight Modern Slavery Report	
GRI 408	CHILD LABOR		
408-1	Operations and suppliers at significant risk for incidents of child labour	Human Rights Across Our Value Chain Insight Modern Slavery Report	
GRI 409	FORCED OR COMPULSORY LABOR		
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	Human Rights Across Our Value Chain Insight Modern Slavery Report	
GRI 410	SECURITY PRACTICES		
410-1	Security personnel trained in human rights policies or procedures	Human Rights Across Our Value Chain Insight Modern Slavery Report	
GRI 411	RIGHTS OF INDIGENOUS PEOPLES		
411-1	Incidents of violations involving rights of indigenous peoples	Human Rights Across Our Value Chain Insight Modern Slavery Report	
GRI 413	LOCAL COMMUNITIES		
413-1	Operations with local community engagement, impact assessments, and development programs	Social impact investment report Partnering for Social Impact Insight	

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413-2	OPERATIONS WITH SIGNIFICANT ACTUAL AND POTENTIAL NEGATIVE IMPACTS ON LOCAL COMMUNITIES	Not currently reported	
GRI 414	SUPPLIER SOCIAL ASSESSMENT		
414-1	New suppliers that were screened using social criteria	<u>Human Rights Insight</u> <u>Modern Slavery Statement</u> <u>Ethical Behaviour Insight</u>	
414-2	Negative social impacts in the supply chain and actions taken	<u>Human Rights Across Our Value Chain Insight</u> <u>Modern Slavery Report</u>	
GRI 415	PUBLIC POLICY		
415-1	Political contributions	<u>Global Responsible Advocacy Policy</u>	
GRI 416	CUSTOMER HEALTH AND SAFETY		
416-1	Assessment of the health and safety impacts of product and service categories	<u>Product Stewardship Insight</u> <u>Product Safety and Quality Insight</u>	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services	Not currently reported	
GRI 417	MARKETING AND LABELING		
417-1	Requirements for product and service information and labelling	<u>Product Stewardship Insight</u> <u>Product Safety and Quality Insight</u>	
417-2	Incidents of non-compliance concerning product and service information and labelling	<u>Product Stewardship Insight</u> <u>Product Safety and Quality Insight</u>	
417-3	Incidents of non-compliance concerning marketing communications	<u>Ethical Behaviour Insight</u>	
GRI 418	CUSTOMER PRIVACY		
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<u>Ethical Behaviour Insight</u>	