

# **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.

## 2022 PERFORMANCE

Our ambitions	2022 progress <sup>2</sup>	2021	2020
An inclusive culture where everybody is treated fairly and equally			
Gender balance at all management levels by 2030:			
50% of managers female <sup>1</sup>	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 <sup>3</sup>			
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.

 % 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)



## 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. 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.



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 underrepresented 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.

# 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 underrepresented 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.



## 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 midcareer 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 underrepresented 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 GAP<sup>1</sup>

	Mean	Median
Brazil	-2.9%	-21.1%
China	34.4%	14.5%
Hungary	56.0%	22.9%
India <sup>2</sup>	-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%

## 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.

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

 $\sum$  For more data and information on our diversity and inclusion initiatives, see our  $\underline{\textbf{Gender Pay Gap Report}}$ 

## 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.