



ENVIRONMENTAL PROTECTION STANDARD

PURPOSE

Reckitt seeks to protect the environment and natural resources, while contributing to sustainable development globally. With an increasing need to integrate environmental protection into supply chain management, Reckitt works with partners across our value chain to achieve Reckitt's sustainability ambitions for a healthier planet. This Standard outlines the requirements and practices expected from Reckitt's Business Partners on environmental protection. It specifies how to implement Principle IV of Reckitt's Sourcing for Sustainable Growth Policy, **Reckitt's commitment to protecting the environment and reducing environmental impact.**



LEGAL AND INDUSTRY REFERENCES

These requirements have been drafted considering the following:

1. OECD Guidelines for Multinational Enterprises
2. United Nations Framework Convention on Climate Change; Kyoto Protocol; and Paris Agreement
3. Environmental, Health, and Safety (EHS) Guidelines, World Bank Group/International Finance Corporation, 2007
4. Guidance Notes: Performance Standards on Environmental and Social Sustainability, International Finance Corporation, 2012
5. Water Sense, US Environment Protection Agency
6. Water Saving Tips: Commercial, Industrial, and Institutional Water Use, Alliance for Water Efficiency
7. AWS International Water Stewardship Standard
8. ISO 14001 Environmental Management System (EMS) Standard

SDG REFERENCES

RECKITT FULLY SUPPORTS DELIVERY OF THE UN SUSTAINABLE DEVELOPMENT GOALS (SDGs) BY 2030



Our business and brands positively impact several SDGs; however, through this Standard we believe we can have the greatest impact on four of the goals.

Reckitt also encourages Business Partners to take steps to contribute to those SDGs that are relevant for the geographies they are present in and where they can have the greatest impact through their business.

REQUIREMENTS

Reckitt expects all Business Partners to embrace sustainability, seeking to eliminate harmful environmental impact and protect the environment and natural resources across all aspects of their supply chain – sourcing, manufacturing, packaging and distribution of all products and services. Reckitt supports and encourages Business Partners to continuously improve performance and environmental management of water, waste, emissions, energy, and material usage.

Respecting Principle IV of Reckitt's Sourcing for Sustainable Growth Policy, Reckitt's commitment to protecting the environment and reducing environmental impact, requires:

1. Compliance with all applicable laws, regulations, and maintenance of necessary legal permits.
2. An environment policy, aspect/impact assessment and management system endorsed by senior management to ensure legal compliance, reduce environmental impact, and improve performance with respects to energy, emissions, water, waste, and other locally material environmental impacts.
3. Programmes to deliver continuous improvements in environmental performance, contributing to wider sustainable development.
4. Transparency of the impacts identified and the actions taken or proposed.
5. Proactive communication of these requirements to suppliers and proactively monitor compliance as far as is possible.
6. Regular training and awareness-raising on identified issues, environmental policies, and procedures to ensure effective implementation, improvement, and compliance.
7. Preservation and promotion of biodiversity by adopting 'reduce, reuse and recycle' approach in the consumption of production materials.
8. Legal and responsible storage and disposal of all production waste including as a priority hazardous substances, discharges, effluents, and airborne emissions.
9. Provision of grievance mechanisms for workers or others to raise environmental concerns; and respond accordingly to concerns raised, including agreeing remedies where appropriate.
10. Identification of the Sustainable Development Goals relevant for the business and local context, implementing initiatives to positively impact those that have been identified.

ASPECT AND IMPACT ASSESSMENT

An environmental aspect is an element of an organisation's activities, products, or services that has an actual or potential impact on the environment. The identification and evaluation of significant environmental aspects should be an integral part of risk and impact assessments and should be undertaken at the early stage of a project or changes, to ensure all risks and impacts are adequately addressed.



ENVIRONMENTAL MANAGEMENT SYSTEM

Business Partners are expected to develop and implement environmental management systems based on, or incorporating, ISO 14001 principles to identify, mitigate and monitor environmental impacts and work towards eliminating those that are harmful.

A management system should include policies and procedures regarding energy, emissions, water, hazardous materials, air quality, deforestation, and waste.

IN IMPLEMENTING A MANAGEMENT SYSTEM, THE FOLLOWING SHOULD BE CONSIDERED:



Energy management and monitoring:

Consumption of energy is monitored and continuously optimised, i.e., reduced and/or improved by use of renewable sources.



Emissions:

Sources of emissions are identified, and reduction plans prepared, reducing emissions at source via engineering solutions or utilising plans and controls to mitigate air pollution.



Water and wastewater management and monitoring:

- Water consumption and wastewater generation are monitored. A water balance analysis is prepared, which indicates water wastage, leakage and required optimisation in the manufacturing and related utility processes, if any.
- Wastewater is treated by appropriate means to ensure the legally required discharge parameters are met before discharge into the environment.
- Programmes are implemented to address water scarcity and water access in the catchment areas and for local communities in proximity to the site(s).
- Wastewater temperature does not cause immediate damage to the health of life forms, regular discharges shall not alter the local ecosystem balance such as the amount of algae, nutrients, suspended sediments, bacteria, and other oxygen demanding matter.



Waste management and monitoring:

Source(s) of waste generation are identified, and plans to reduce, reuse, and recycle are implemented.



Preventing contamination or remediation:

Operate in a manner that prevents contamination of land, water, or air due to business activity or harmful substances. This requires vigilance on the use, storage and transportation of raw material, intermediaries, by-products, products, waste, and wastewater. Appropriate engineering and administrative controls at source are recommended. Where contamination is identified, adequate remediation is to be undertaken to restore the land, water, or air for safe and sustainable use.

REPORTING BREACHES

We are an organisation with strong values of responsibility and integrity and we always seek to do the right thing. We understand the challenge of environmental issues in complex global supply chains and that many challenges are systemic in nature and cannot be addressed alone. Consequently, we encourage Business Partners to proactively disclose to us where they are having challenges meeting this Standard, so we can work together to address issues and strengthen management systems to ensure continuous improvement.



SCOPE

This Standard is applicable to all Business Partners providing goods and services to or on behalf of Reckitt. This includes third-party manufacturers, raw and packaging material suppliers, service providers, vendors, traders, agents, contractors, joint venture partners, and distributors, including their employees, agents, and other representatives (hereafter referred to as 'Business Partners'). Business Partners are expected to communicate this Standard within their supply chain and ensure adherence to this Standard by their direct suppliers.

This Standard provides guidance to Business Partners engaged in processing operations, factories and warehousing and supports Reckitt's Natural Raw Materials Sourcing Standard for primary producers. The Natural Raw Materials Sourcing Standard also contains detailed annexes for specific value chains of concern to Reckitt. Business Partners are encouraged to reference and adopt both Standards where appropriate.