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# Detailed Sustainability Report

Detailed Sustainability Report  
2016

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### Further Information

This report is part of an integrated approach to reporting total performance. Our family of reports also includes the Sustainability Report, Annual Report and Financial Statements and regularly updated information at [www.rb.com/responsibility](http://www.rb.com/responsibility)



# Approach to reporting

## Our approach to reporting

This report is a key part of our continuing communication with stakeholders on our approach to and management of sustainability issues and risks for long-term profitability. While we seek an open and transparent dialogue with stakeholders, we maintain a focus on material issues where we can make a real difference, which is an integral part of our culture and reflected in the content of this report.

## Audiences for this report

This report is primarily aimed at audiences that have shown most interest in our sustainability management and performance during 2016: employees, trade customers, shareholders/investors, consumers of our products, and advocacy and campaigning organisations with an interest in the impacts of our products, operations or supply chain.

## Report profile

This report is for the year ending 31 December 2016. Our 2015 Sustainability Report was published on 4 April 2016. We report annually, on calendar year data basis and previous reports can be found at <https://www.rb.com/responsibility/policies-and-reports/>.

## Reporting standards

This report is has been prepared using the Global Reporting Initiative's (GRI) G4 Sustainability Reporting Guidelines. The report is 'in accordance' with the guidelines, following the 'core option'. A GRI Content Index and Application Level Table is provided on pages 32–37. It provides a navigational tool for those looking for specific information relating to the GRI's G4 guidelines.

In preparing this report, we referenced the criteria and principles of accountability set out in the AA1000 Assurance Standard (2008) and the AA1000 AccountAbility Principles Standard, produced by AccountAbility. We also took into account the evolution of best practice in corporate sustainability reporting.

## Key Performance Indicators (KPIs)

The KPIs that we use in this report are determined by:

- The significant sustainability aspects of our operations (see page 7).
- Independent, external sources of guidance on the indicators that we should be using to measure and report on those significant sustainability aspects.

- The indicators that are most practical to use and add most value across our business and supply chain. The GRI G4 performance indicators provide some reference for selecting appropriate KPIs; as an international standard using its indicators provides compatibility with other companies. We also take account of the specific guidance on environmental KPIs for UK companies provided in the British Standard BS EN ISO 14031 (Environmental Performance Evaluation Guidelines), and the Environmental KPIs – Reporting Guidelines for UK Business (Department for Environment, Food & Rural Affairs).

## Reporting criteria

The principles and methodologies we have used in reporting sustainability performance data for 2016 are available in our Reporting Criteria and Basis of Preparation document, available at [rb.com/responsibility/policies-and-reports](http://rb.com/responsibility/policies-and-reports).

## Assurance

PricewaterhouseCoopers LLP (PwC) has provided independent limited assurance over selected 2016 data contained within this report as set out in the table opposite. Their independent assurance statement is on pages 30–31 of this report.

## Responsibility

The Directors are responsible for reporting the sustainability data as at 31 December 2016 in accordance with the reporting criteria as set out in the Reporting Criteria and Basis of Preparation document available at <https://www.rb.com/responsibility/policies-and-reports/>. In doing so they have:

- designed, implemented and maintained internal controls and processes over information relevant to the measurement and preparation of the sustainability data that is free from material misstatement, whether due to fraud or error;
- established objective reporting criteria for measuring and preparing the sustainability data to meet the needs of RB's stakeholders and applied them consistently;
- presented information, including the criteria, in a manner that provides relevant, reliable, comparable and understandable information;
- measured and reported the sustainability data based on the reporting criteria.

## Table of indicators subject to PwC's limited assurance scope

	Units	2012	2013	2014	2015	2016 <sup>†</sup>
<b>Healthier Communities (Social Metrics)</b>						
People reached to improve their health and hygiene	millions		24	141	237	<b>365</b>
<b>Better Design (Product Metrics)</b>						
Total net revenue from more sustainable products (Q1-Q3)	£ millions		230 <sup>1</sup>	325 <sup>1</sup>	558	<b>1,193</b>
Total carbon footprint	grams per dose	62.14*	–	–	62.42*	<b>62.08</b>
Total water impact	e-litres per dose	8.22*	–	–	7.44*	<b>7.76</b>
<b>Environment, Health &amp; Safety Metrics</b>						
Total GHG Scope 1 and 2 emissions from manufacturing, R&D, offices and warehouses	tonnes CO <sub>2</sub> e	–	–	–	294,087	<b>260,818</b>
GHG emissions from energy use in manufacturing and warehouses	tonnes CO <sub>2</sub> e per 1,000 CU	0.0402	0.0392	0.0374	0.0347	<b>0.0302</b>
Total waste at manufacturing and warehouses	tonnes per 1,000 CU	0.0117	0.0114	0.0105	0.0100	<b>0.0094</b>
Hazardous waste at manufacturing and warehouses	tonnes per 1,000 CU	0.0016	0.0016	0.0014	0.0012	<b>0.0013</b>
Water discharges from manufacturing and warehouses	m <sup>3</sup> per 1,000 CU	0.496	0.344	0.289	0.281	<b>0.289</b>
Energy use at manufacturing and warehouses	GJ per 1,000 CU	0.4704	0.4488	0.4130	0.3959	<b>0.3835</b>
Water use at manufacturing and warehouses	m <sup>3</sup> per 1,000 CU	0.964	0.788	0.718	0.675	<b>0.657</b>
Lost working day accident rate <sup>2</sup>	per 100,000 hrs	0.107	0.107	0.093	0.080	<b>0.071</b>
Employee fatalities	number	1	0	0	1	<b>2</b>
Severe accidents	number	1	1	2	3	<b>1</b>
<b>Diversity</b>						
Women employed – Board	% at 31 December	20	10	17	29	<b>27</b>
Women employed – senior management	% at 31 December	16	17	19	19	<b>20</b>
Women employed – global employees	% at 31 December	41	42	42	42	<b>42</b>

<sup>1</sup> 2013 and 2014 total net revenue from more sustainable products Q1–Q3.

<sup>2</sup> LWDA rate from manufacturing, warehouses and R&D.

<sup>†</sup> 2016 data included in PwC's limited assurance scope – see pages 30–31.

\* Values re-stated due to methodological improvements made in 2016.



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# Strategic framework



## betterbusiness

Sustainability is at the heart of our betterbusiness corporate strategy and we have taken an integrated approach to reporting by aligning the contents of the sustainability and annual reports. This review is a supplement to the RB betterbusiness 2016 Report and provides detailed information on RB's approach to sustainability and our performance under the strategic pillars – better**society** and better**environment**. The RB annual report describes activities within the better**financials** pillar. The full collection of publications relating to sustainability at RB can be found on our website, at rb.com.

### betterbusiness

Our strategy, betterbusiness encapsulates everything we do. Financially, socially and environmentally we act responsibly and sustainably. We believe passionately in doing things the right way to help us deliver high-quality products and drive shareholder returns.

#### betterbusiness

##### betterfinancials

How we drive growth and outperformance

See our Annual Report 2016



##### betersociety

How we support our communities and develop our people

##### betterenvironment

How we reduce our environmental impact

## betterfinancials

### Our economic contribution

#### Cash value added

Cash value added is a measure of actual monetary distribution in terms of cash. It is derived directly from the data provided in the Company's Annual Report & Accounts 2016. Our cash value added was £4,003m (2015 £3,308m), 90% of which was distributed to employees, Shareholders and governments.

Cash Value Added (Emillion)	2013	2014	2015	2016
Shareholders	1,271	1,301	1,728	<b>1,837</b>
Employees	1,140	1,075	1,009	<b>1,078</b>
Governments	808	669	658	<b>692</b>
Retained in business	776	893	(118)	<b>380</b>
Capital providers	24	32	31	<b>16</b>
<b>Total</b>	<b>4,019</b>	<b>3,970</b>	<b>3,308</b>	<b>4,003</b>

A comprehensive review of our better financials strategic pillar can be found in the 2016 Annual Report, at rb.com.

## betersociety

Better society is about the people who make RB what it is and the ways in which we improve the health and hygiene of our consumers.

#### Workplace

How we attract, develop, protect and respect our people, ensuring we draw from a diverse and highly motivated group of people who are proud to represent RB.

#### Healthier lives

How we improve health and hygiene behaviour through our products, brand educational programmes and impacts from our corporate social investment.

#### Our products

How we develop products that are more sustainable, require less water, less energy, or produce less packaging and waste across their lifecycle.

## betterenvironment

Better environment is about managing the impacts our manufacturing processes and products have on the environment; the ways in which we calculate our environmental footprint and the programmes we operate to ensure that we are continually improving our performance.

#### Greenhouse gas emissions

How we monitor the levels of carbon dioxide that are emitted through the use of our products and their manufacturing, implementing processes that continually lower emissions.

#### Water

How we assess the volume of water consumed by our products and manufacturing operations, looking at ways to reduce the water used, particularly in areas where water scarcity is an issue.

#### Waste

How we monitor the hazardous and non-hazardous waste resulting from the manufacture of our products, reducing overall waste levels and working towards zero waste going to landfills.

#### Responsible sourcing

How we ensure that purchased materials originate from responsible and ethical sources, minimising adverse social and environmental impacts.



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# Managing sustainability

# Managing sustainability

## Materiality Purpose

RB is committed to recognising and addressing sustainability issues and opportunities that are important to stakeholders – internally and externally – and to delivering the organisation’s strategic objectives. Furthermore, RB believes in being transparent in the communication of its sustainability priorities and performance and shares this information across a range of communication media. We appreciate that we operate in an ever-changing environment and it is important to review our sustainability profile on a periodic basis, ensuring we continue to focus and report on sustainability areas that are important to both the business and stakeholders.

## Scope

When reviewing potential sustainability areas that are likely to be relevant to those associated with RB, it is necessary to consider our impacts across the value chain. Therefore, our sustainability materiality assessment considers a range of issues that can affect or be affected directly by our operations and also the upstream and downstream constituents of the value chain such as suppliers, customers and other partners.

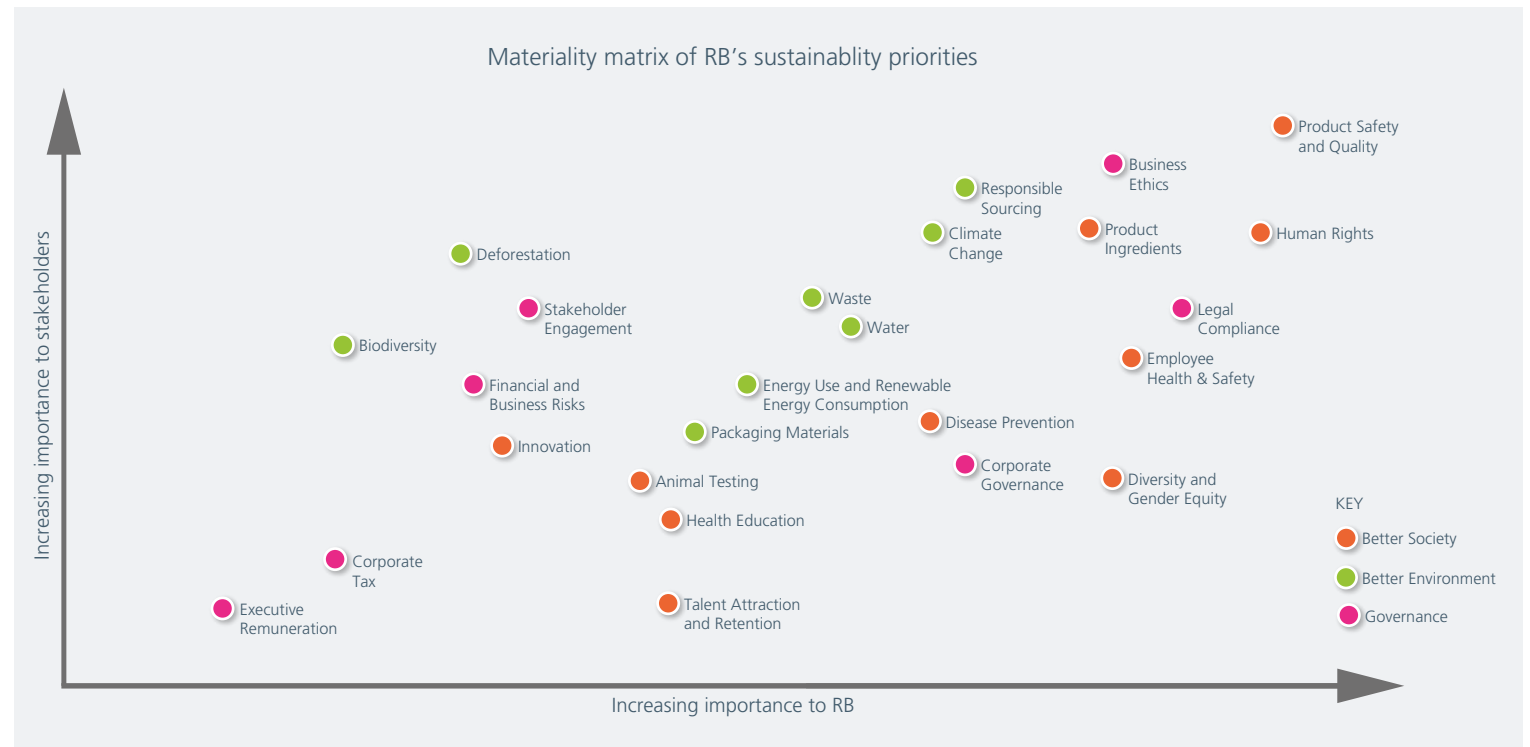
The range of topics assessed are primarily focussed on those having a significant positive or negative short, medium or long-term impact on society and the environment, along with affecting the ability of the company to fulfil its purpose and business strategy. The assessment process aims to establish a final list of sustainability priorities that are deemed as being important to both RB and its stakeholders. Although the company avoids reporting on subjects that are not deemed as being material - helping to ensure reporting conciseness - this does not mean it is not aware of other less significant matters, or that they are not monitored and reviewed internally. This is particularly true of issues that have a propensity to increase in the future.

## Process for identifying material issues

RB has a robust materiality assessment process that is based on Accountability’s 5-part materiality test and follows the GRI G4 sustainability guidelines implementation manual. Following the process enables us to determine sustainability priorities based on their ability to positively or negatively affect RB’s delivery of its business purpose and strategy; the level of RB’s influence over the issue; the importance given to the topic by our internal and external stakeholders; the current or emerging views of our industry; and their relevance to specific geographies or product lines. The materiality assessment process begins with an initial ‘long list’ of potential items being generated that consider a range of sustainability issues based on:

- Previous materiality assessment findings
- Enterprise risk register entries
- A review of industry peers and large multinational organisations
- Current and impending policies and regulations
- Existing information from external and internal stakeholders e.g. customer feedback, NGO discussions, employee inputs etc.
- The knowledge and input of internal experts
- Sustainability reporting standards and guidance (e.g. GRI standard disclosures and chemical industry sector guide; FTSE4good; DJSI; UN Sustainable Development Goals; Carbon Disclosure Project)
- Discussions with external consultants and experts

In the materiality assessment carried out in 2016, 198 potential issues were identified. A primary review by RB’s global sustainability team and external consultants removed items that were unlikely to be relevant to RB’s core business and stakeholders, resulting in a total of 85 individual sustainability topics remaining. To better facilitate the collection of stakeholders’ inputs on the issues, the 85 individual topics were bundled under 25 broader subject groups (see materiality matrix below). Although the materiality process collected views based upon these 25 categories, each individual sustainability issue was outlined to facilitate review by participants.



## Managing sustainability *continued*

### Determining RB's sustainability priorities

In order to rank and prioritise sustainability topics, both a qualitative and quantitative assessment was undertaken to gauge the social, environmental and financial importance of the 25 sustainability categories to RB and its stakeholders. A survey was conducted with over one hundred stakeholders to collect and assess their views across the 19 subject groups and their associated subordinate issues; participants were asked to assign a level of importance for each category. In addition to a numerical assessment, a qualitative narrative was also sought to give a deeper insight into specific views. The following stakeholder groups were included in the study:

- Employees
- Retailers
- Investors
- Suppliers
- NGOs
- Product users
- Industry associations

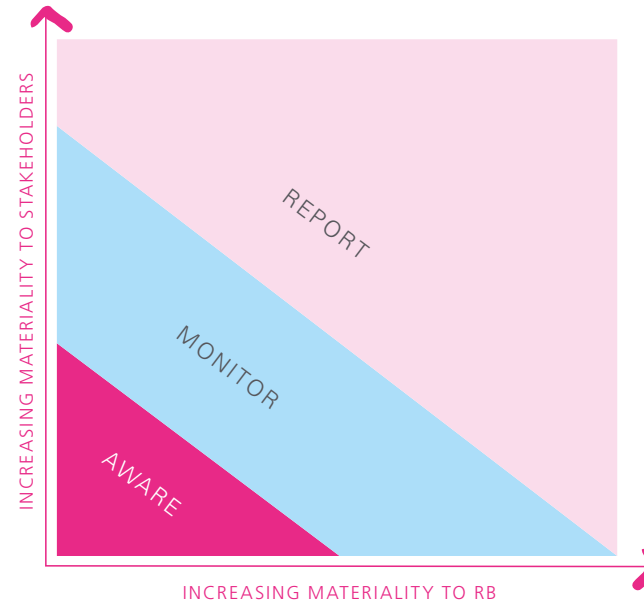
The materiality of each topic was considered from two perspectives: its importance to external stakeholders; and its importance to RB, which was based on the view of employees, leaders and internal subject matter experts. The issues that were deemed to meet the materiality threshold of the study's scope – those that were important to both RB and its stakeholders – were then plotted on a matrix (see opposite). Furthermore, each of the issues were linked to RB's better business strategy, demonstrating how the business addresses sustainability as part of its corporate strategy. To keep reports concise and relevant, RB aims to report only on issues that are material; however, as indicated by the 198 issues initially reviewed, many other sustainability topics are continually appraised and monitored.

### RB's sustainability priorities

The matrix below shows the ranking of sustainability areas based on the importance to RB and external stakeholders.

### Communicating our sustainability priorities

RB is committed to publicly sharing its strategic approach and performance relating to all relevant and important sustainability topics. We share this information across a number of different reports and media channels. Topics that are primarily related to sustainability are discussed in the annual sustainability report and/or the detailed sustainability performance report. Issues that relate to governance and financial performance are described most fully in the annual report. In addition, RB's website includes other reports and documents that disclose the ways in which the company aims to improve its sustainability profile and performance.



*We aim to report only on issues that are relevant and important to both stakeholders and RB.*



## Managing sustainability continued

### External partnerships

We seek to develop industry-wide solutions to shared challenges. In 2016, our work with external partners included:

- Roundtable on Sustainable Palm Oil (RSPO), promoting the growth and use of sustainable palm oil: [rspo.org](http://rspo.org)
- TFT is an international non-profit organisation working to deliver responsible product supply chains. As a member of TFT, we have worked together to carry out in-depth reviews of our latex and palm oil supply chains, with the aim of increasing transparency and ensuring full compliance with our sourcing requirements: [tft-forests.org](http://tft-forests.org)
- A.I.S.E. (the International Association for Soaps, Detergents and Maintenance Products) in Europe, which coordinates the voluntary Charter for Sustainable Cleaning, and the Save Energy & Water project: [aise.eu](http://aise.eu)
- AIM Progress – a forum of leading FMCG companies that promotes responsible sourcing practices and sustainable production systems, while seeking to reduce the burden for suppliers through collaboration and harmonisation of approaches: [www.aim-progress.com](http://www.aim-progress.com)
- FRAME (Fund for the Replacement of Animals in Medical Experiments) is a UK-based charity that promotes consideration of the ethical and scientific issues involved in the use of laboratory animals for medical research, and the adoption of the 'Three Rs' (Replacement, Reduction, Refinement) strategy of alternatives to animal testing: [frame.org.uk](http://frame.org.uk)
- CSPA (Consumer Speciality Products Association) Product Care is a trade association representing the interests of companies engaged in the manufacture, formulation, distribution and sale of familiar consumer products that help household and institutional customers create cleaner and healthier environments. RB actively participates at all levels in this trade association, including participation in specific task forces, chairing divisions and representing the Board of Directors – David Campbell is the 2nd Vice Chair. CSPA is mission-critical for RB's home and hygiene brands, especially Airwick and Lysol, due to the extensive regulatory environment of these product categories: [cspa.org](http://cspa.org)
- GC3 (The Green Chemistry & Commerce Council) is a US-based cross-sectoral, business-to-business network of companies and other organisations, working collaboratively to advance green chemistry across sectors and supply chains: [greenchemistryandcommerce.org](http://greenchemistryandcommerce.org)

### Industry sustainability programmes

#### A.I.S.E Charter for Sustainable Cleaning

We work with A.I.S.E on a number of projects. A.I.S.E represents, among others, members of the European air freshener and detergents products industry. The Charter is the principal expression of the detergent industry's commitment to sustainability. This voluntary initiative promotes a common industry approach to sustainable improvement and reporting, based on a lifecycle framework.

RB has been a member of the Charter since June 2005 and contributed to the update in 2010. This major upgrade introduces additional sustainability procedures for products, supplementing the existing Charter of Sustainability Procedures for companies. The Charter logo on our packaging recognises our commitment and can only be used by companies committed to the Charter.

#### A.I.S.E Air Fresheners Product Stewardship Programme

RB has committed to the A.I.S.E. Air Fresheners Product Stewardship Programme, a voluntary industry initiative established in October 2007 (<https://www.aise.eu/our-activities/product-stewardship-programmes/air-fresheners.aspx>). Companies signing up to the programme must abide by a set of rules that go beyond legislative requirements and aim to promote best practice in the responsible manufacture, consumer communication and use of air fresheners across the EU, Iceland, Norway and Switzerland. We contributed to its update launched in 2016.

#### A.I.S.E. Product Stewardship Programme for Liquid Detergent Capsules

We have committed to the A.I.S.E. Product Stewardship Programme for Liquid Detergent Capsules, a voluntary initiative launched on 1 March 2015 (<https://www.aise.eu/our-activities/product-stewardship-programmes/liquid-detergent-capsules.aspx>). Companies signing up to the programme must abide by a set of rules that go beyond legislative requirements and aim to ensure the high safety level of our products and to prevent any future accidents.

## Managing sustainability *continued*

### Governance

#### Overview of RB's sustainability policies and positions

RB is governed by a corporate responsibility framework comprising our Code of Business Conduct, various policies, control arrangements and reporting; these are available on [rb.com](http://rb.com), and include:

- Environmental Policy
- Occupational Health & Safety Policy
- Policy on Human Rights and Responsible Business and associated Detailed Requirements document
- Responsible Sourcing of Natural Raw Materials Policy and zero deforestation
- Consumer Safety Policy
- Animal Testing Policy
- Whistleblower Policy
- Anti-Bribery Policy
- Restricted Substances List Policy

#### Governance structures and responsibilities

RB's Board of Directors is responsible for the overall stewardship of the Group which includes oversight of sustainability and corporate responsibility. The Board plays a key role in setting our values and standards and undertake a formal review of sustainability matters at least once a year. The Board also regularly considers the significance of sustainability matters and their potential risk to the business as well as opportunities for enhancing value.

The board is accountable for ensuring that our products and people are safe, the environment is protected and human rights are respected. They have ultimate accountability for the achievement of the 2020 **betterbusiness** strategy.

The Corporate Responsibility, Sustainability, Ethics and Compliance Committee (CRSECC) supports the board, along with the CEO, in overseeing the implementation and progress of RB's sustainability strategy and reviewing performance against the 2020 targets. The committee meets quarterly and is attended by the CEO and other executives.

The two management committees, the Compliance Management Committee (CMC) and the Ethics Management Committee (EMC), are operational in focus and are led by the CEO. They are responsible for the implementation of compliance and ethics activities across the company, in conjunction with functional department heads.

The SQC function takes the operational lead for sustainability and compliance, setting the agenda for the Group. It is supported by regional Health, Safety and Environment, and Human Rights Compliance Managers, who ensure that policies, activities and processes are rolled-out throughout the organisation.

### Business conduct

#### Code of Business Conduct

Our Code of Business Conduct (CoBC) sets out the principles and ethical values we want to uphold; it is available at [rb.com](http://rb.com). Senior managers across the company are required to report and sign-off compliance with the CoBC every year. The Board Audit Committee monitors the findings of this certification process.

The CoBC policies and training programme are available in all core languages used across our business, ensuring that employees worldwide receive clear communication and education in this important area. All employees are required to complete annual CoBC training, which includes human rights issues. In total, around 3,906 hours were devoted to CoBC training; 100% of ENA employees, 100% of DVM employees and 100% of CHQ employees completed the 2016 training, with a global completion rate of 100%. We regularly follow up with our employees to ensure they have taken the required training, but staff turnover and the continuous hiring of new staff will result in rates that are less than 100% in a calendar year.

#### Whistleblower helpline

Our Whistleblower helpline is a confidential freephone number in each country, operated by an external organisation that employees can use to report any suspected breaches of the CoB. Typical issues identified include grievances with managers and allegations of unprofessional behaviour or bullying.

All reported issues are investigated by management or Internal Audit with the appropriate action being taken. Depending on the type of issue identified, new policies may be issued, training may be provided, and formal warnings may be issued. In some cases, if allegations against an employee have been proven valid by legal and HR, their contract may be terminated. This process is reported to and overseen by the Ethics and Management Committee and also the Board Audit Committee.

## Managing sustainability continued

### Human rights

As a global business with operations in over 60 countries, around 35,000 employees and an extensive supply chain, we recognise the important role that we play in society; ensuring that the human rights of all our internal and external partners are protected and respected. This is our responsibility and is vital in maintaining consumers' confidence and trust in our brands. We, therefore, have a clear policy commitment to respect human rights – that all within and who do business with RB must follow – in addition to a proactive compliance programme to effectively ensure compliance with it.

All significant investment agreements (greater than £50m) undergo a due diligence analysis of human rights. This is conducted mainly by our manufacturing due diligence and factory visits. On the rare occasions that access to a facility is not possible, due diligence is carried out by accessing publicly available information.

### Our policy commitment

RB believes that human rights, which includes no slavery and human trafficking, are an absolute and universal requirement and is committed to upholding those rights, as expressed in the International Bill of Human Rights<sup>1</sup> and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. We are also committed to following the Organisation for Economic Cooperation and Development's (OECD's) Guidelines for Multinational Enterprises.

We recognise the important role that businesses play in society and the responsibility we have in helping to ensure human rights are respected. Our commitment to respecting human rights is publicly disclosed through our Code of Business Conduct and our Policy on Human Rights and Responsible Business. These policies apply to all employees and contractors of, and suppliers of goods and services to RB. We also encourage our suppliers to communicate our requirements within their supply chain.

Our Policy on Human Rights and Responsible Business outlines the minimum labour, health & safety, environmental and business integrity standards we expect our facilities and those of suppliers to meet, in the production of goods and provision of services to RB. Our requirements are closely aligned with the Ethical Trading Initiative (ETI) base code and the conventions of the International Labour Organisation (ILO) and consists of ten principles:

1. No child labour. Limitation of work by young workers.
2. No forced or bonded labour.
3. Safe and healthy working environment.
4. No discrimination. Equal opportunities/rights.
5. No harmful or inhumane treatment.
6. Reasonable terms and conditions of employment.
7. Effective communication between employees and management. Right to freedom of association.
8. Protection of the environment.
9. Conducting business with integrity.
10. Implementation of management systems to drive compliance.

We take any adverse human rights impacts extremely seriously. Where RB identifies that it has caused or contributed to any such impacts, it will cooperate in, or provide for, appropriate and legitimate processes to remedy these.

We acknowledge the growing importance and complexity of the issue of human rights and are committed to continuously improving our approach, following the UN Guiding Principles on Business and Human Rights as our model.

### International standards and guidelines

We subscribe to a range of international standards and guidelines relating to sustainability and corporate responsibility, including: the United Nations (UN) Declaration of Human Rights: un.org, and the International Labour Organisation, (ILO) eight fundamental conventions: ilo.org. The intent of these standards and guidelines, along with others such as the social accountability standard SA8000: sa-intl.org, are incorporated in the Company's Code of Business Conduct and other elements of our Corporate Responsibility Framework, such as our Policy on Human Rights and Responsible Business.

### Grievance process

RB has grievance processes in place in all countries that comply with local laws. There have been a number of grievances raising potential human rights issues reported through the Whistleblower helpline during 2016, all of which were investigated and satisfactorily resolved.

### Anti-bribery and corruption

RB employees receive formal training on the UK Bribery Act and all employees with email access are required to pass a mandatory online test as part of the process. This is supported by Internal Audit visits to high-risk overseas operations. As part of the annual audit planning process, all RB locations are assessed against a number of risk factors that include bribery and corruption risks.

### Anti-competitive behaviour

RB is involved in a few investigations by government authorities and the litigation associated with them. Therefore, where appropriate, the Group has made provisions for such investigations. Where it is too early to determine the likely outcome of these matters, or to make a reliable estimate, the Directors have made no provision for such potential liabilities.

<sup>1</sup> Consisting of the Universal Declaration of Human Rights, the International Covenant on Civil and Political Rights and the International Covenant on Economic, Social and Cultural Rights



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Better society

# Better society

## Our people

KPI Details for 2016	Female	Male	Unknown	Total
<b>A – Employment contract</b>				
Permanent contract	10,893 (42%)	15,143 (58%)	22 (–%)	26,058
Fixed Term or temporary contract	537 (50%)	538 (50%)	7 (–%)	1,082
<b>B – Employment type</b>				
Full time	11,092 (41%)	15,654 (59%)	29 (–%)	26,765
Part time	338 (90%)	37 (10%)	–	375
<b>D – Employment location</b>				
ENA	6,172 (46%)	7,262 (54%)	23 (–%)	13,457
DVM	4,960 (38%)	8,050 (62%)	5 (–%)	13,015
Other	298 (45%)	369 (55%)	1 (–%)	668
Total employees	11,430 (42%)	15,681 (58%)	29 (–%)	27,140

## Employment

The monthly average number of people employed by the Group, including employees and contractors, during the year was:

	2013 '000	2014 '000	2015 '000	2016 '000
<b>Continuing operations</b>				
ENA	12.5	12.5	15.5	14.2
DvM	–	–	18.0	18.8
RUMEA	7.6	7.2	–	–
LAPAC	15.1	15.6	–	–
Other	1.2	1.2	1.2	1.7
<b>Discontinued operations</b>				
RB Pharmaceuticals	0.7	0.7	–	–
	37.1	37.2	34.7	34.7

Note: From 2015, adjustments have been made to RB's organisational reporting process, the scope of ENA has changed and a new reporting entity, DvM, is now in place for other regions.

The employment figures are based on data for 27,140 global Group employees, which is 78% of the average number of people RB employs or contracts with globally.

As a minimum, RB complies with applicable local laws regarding minimum notice and consultation periods. RB also fully complies with all laws regulating collective bargaining and recognises the right to freedom of association. This means that, consistent with the law and with Company policy, employees shall have the right to assemble, communicate and join associations of their choice, or not. In 2016, approximately 38% of full-time employees were covered by collective bargaining agreements. Our commitment to respecting the right to freedom of association is embodied in our Code of Business Conduct, and Policy on Human Rights and Responsible Business available on rb.com.

## Remuneration and benefits

Total remuneration changes in line with the number of employees and our remuneration policy encourages, reinforces and rewards the delivery of outperformance.

The total remuneration paid to employees in 2016, including Directors, was £1,043m (2015: £1,000m). We seek to offer competitive remuneration that reflects both market conditions of the country in which people are based and their abilities and skills. Benefits (in addition to salaries, bonuses and long-term incentives) vary regionally and nationally and generally include items such as: pension plans; health, accident and disability insurance; medical care plans, and annual health checks. Our international transfer policy is an integral part of RB's commitment to developing globally experienced senior leaders, and support is provided to employees and their families to ensure a smooth international transition. Additional benefits help them face the challenges of moving to a foreign country, and compensate people for differences in pay and living costs.

## Remuneration

	Units	2012	2013	2014	2015	2016
Total employee remuneration	£m	1,050	1,132	1,067	1,000*	1,043

\* Restated from 1,009m.

## Training and education

We have an experience-based approach to development, moving our people into new roles and geographies. We support this with appropriate development and training including leadership skills and coaching. And these are underpinned with formal training.

We provide site level, regional, area and global capability enhancement programmes on functional competencies and leadership skills. This is further enhanced by e-learning and blended learning programs that are available on and off-line for all employees and are phone and tablet friendly. For example, around the world in 2016, our training programme provided courses in leadership, unconscious bias, recruiting skills, business and organising, managing the P&L, Sales, Crisis Management, etc. Other training programmes included health and safety, environment, quality, adverse events and compliance training events.

Project DARE which focuses on improving the drop off rate of talented women was launched in 2015. As a result, leadership training programs covering topics of Inclusive Leadership and Unconscious bias were introduced to senior leadership in addition to the deployment of a Women in Leadership program for women in managerial roles.

The Group trains and develops its senior management pipeline through formal training programmes and through a deliberate policy of training on the job. Management is international and is trained through rotation in international postings both in countries and in the Group's central functions.

All employees globally have an annual performance development review (PDR) which assesses their skills, ability and performance against personal and business objectives and desired competencies. The PDR process is integrated with how we identify people for further growth and different or more senior roles in the future. Improving managerial ability in conducting quality conversations regarding performance and capability improvement was introduced as a key focus which would continue over the next few years.

Succession planning is a critical management discipline and is reviewed at least annually by the Board and the Executive Committee.

## Employee engagement

Providing an environment and culture in which employees can and want to give their best is a priority. We regularly seek feedback from employees on a variety of matters and in a variety of ways.

This includes departmental meetings, formal feedback tools and electronic surveys, which we

## Better society continued

carry out all over the world. We translate any opportunities for improvement into plans which are tracked in line with other business critical KPIs.

Although there are some significant differences in the opportunity areas, depending on location and geography, we get consistent feedback that our employees are energised by the scope of their jobs and the freedoms they have to make decisions, and impact the business.

We continue to work on encouraging a more open environment for our employees. A culture pulse survey is conducted bi-annually to ascertain the inspiration levels of all employees worldwide which was followed through by focus group discussions and action planning at country and department level.

### A diverse culture

We work hard to attract, develop and retain highly capable and talented employees who can work together to produce outstanding results. We encourage diversity of nationality and

international mobility among employees. This contributes to the generation of innovative ideas by applying new and different experiences and viewpoints across our business.

The Company operates within a corporate diversity and inclusion policy framework which is reviewed by the Executive Committee.

The Board continues to promote diversity in its broadest sense and ensure that the Company's Top 40 executive roles, in particular, are open to fresh thinking and must include personnel from different global backgrounds who bring new ideas to the table.

The Company values its freedom to retain a group of people who, collectively, have the skills, experience and insight to achieve the Company's global vision and objectives and to achieve long-term value growth without being hindered by a gender quota which does not take cognisance of the specific situation and culture of the Company.

Diversity <sup>1</sup>		2012	2013	2014	2015	2016
Nationalities in management – Board	Number at 31 December	6	6	8	6	5
Nationalities in management – Exec Committee	Number at 31 December	7	8	7	7	7
Nationalities in management – Top40	Number at 31 December	14	14	13	13	14
Nationalities in management – Top400	Number at 31 December	44	49	47	49	51
Nationalities of global employees	Number at 31 December	104	102	103	105	106
Women employed – Board	% at 31 December	20	10	17	29	27
Women employed – Executive Committee	% at 31 December	22	11	11	13	13
Women employed – Top40	% at 31 December	16	14	12	14	11
Women employed – Top400	% at 31 December	16	17	19	19	20
Women employed – global employees	% at 31 December	41	42	42	42	42

KPI Details <sup>2</sup>	Female	Male	Unknown	Total	ENA	DVM	CHQ or Other	<30 yrs	30-50 yrs	>50 yrs
New hires (total number)	2,261	2,953	31	5,245	2,278	2,829	138	2,596	2,418	167
New hires (rate)	20%	19%	107%	19%	17%	22%	21%	37%	14%	6%
Turnover (total number)	2,147	2,960	12	5,119	2,879	2,087	153	1,900	2,687	462
Turnover (rate)	19%	19%		19%	21%	16%	23%	27%	16%	15%
Global employees	11,430	15,681	29	27,140	13,457	13,015	668	6,948	17,205	2,987
% Global employees	42%	58%	0.11%	100%	50%	48%	2%	26%	63%	11%
Exec	1	7	0	8	1	1	6	0 (0%)	4 (50%)	4 (50%)
Top 40	4	34	0	38	14	9	15	0 (0%)	26 (68%)	12 (32%)
Top 400	86	346	0	432	166	122	144	0 (0%)	364 (84%)	68 (16%)

1 The Top 400 includes the Top 40, the Top 40 includes the Executive Committee.

2 2016 global employee diversity data is based on data for 25,789 full-time employees, which is 78% of the average number of people employed by the Group during 2016.

The Board composition was 27% female at 31 December 2016, which brought the board composition above the Davies recommended target of 25% females.

At 31 December 2016:

- 27% of the Board are female and 55% are non-UK nationals;
- 13% of the Executive Committee are female and 75% are non-UK nationals;
- 11% of the Top 40 managers are female and 71% are non-UK nationals.

All RB employees understand their personal responsibility for ensuring that diversity policies and programmes are actively pursued, implemented and maintained. The Company does not set specific targets in absolute percentage terms to deter artificiality in the process; it measures progress year-on-year to understand changes to gender balance.

As at 31 December 2016, 42% of the Group's global employees are female; and 20% of the Group's Top 400 population are female.

A diverse company enables the business to better understand its opportunities and risks and to develop robust solutions to them. We believe that:

- diversity is clearly much broader than gender. It incorporates diversity of race, thought, experience, skills, understanding, perspective and age and also requires implementation at all management levels;

- successful companies sell their goods and services to customers regardless of gender, race, ethnic group or religion and a diverse workforce should reflect its customers. A diverse management is more in touch with its customers' demands and staff concerns and provides different perspectives in devising successful business strategies;
- diversity is a matter of organisational culture largely set by example from the top. Company management that actively considers diversity is better able to support diversity efforts in the rest of the organisation and is equipped to identify the organisation's requirements;
- awareness programmes through webinars have been introduced in the business to help women who are expectant mothers prior to proceeding on their maternity leave and a separate programme has also been put into place for women returning to the workplace. In addition, awareness programmes have been introduced for managers of these employees either proceeding on or returning from maternity leave.

### Equal opportunity

We employ, promote and reward people based on their skills, abilities and achievements, regardless of gender, race, age or other personal characteristics. We seek to encourage, recognise and reward our four core values of Achievement, Ownership, Entrepreneurship and Partnership. In 2016, RB had comparable hire and turnover rates for males and females.

## Better society continued

### Health & safety

**2020 TARGET:** Continued reduction in lost work day accident rates (LWDAR)

**PROGRESS:** 33.8% reduction since 2012

#### Our commitment to occupational health & safety

RB is committed to the health, safety and welfare at work of its employees; complying with applicable health & safety legal requirements and the continual improvement of its health & safety control arrangements and performance.

Specifically, the Group is committed to providing and maintaining:

- control of the health & safety risks arising from work activities;
- a safe place of work with safe means of entry and exit;
- safe plant, equipment and systems of work;
- a safe and healthy working environment;
- arrangements for the safe use, handling, storage and transport of articles and substances;
- necessary information, instruction, training and supervision to protect health & safety at work.

RB is committed to preventing accidents, injuries and occupational ill-health at all locations under our control. To ensure progress against our goals, we work to an Occupational Health & Safety Policy that is in operation globally. The policy is supported by health & safety standards that are in place at all locations, actively promoting safe behaviours that continually develop a culture of safety among employees and contractors. These measures have reduced our LWDAR to 0.071, which is a substantial improvement since 2000, and puts safety at RB in line with the industry benchmark. Since 2013, RB has been tracking total recordable frequency rate TRFR (lost work days, restricted work cases and beyond first aid incidents) to ensure all safety incidents are investigated and necessary improvements are made. In 2016, there was a 12.7% reduction in TRFR compared to the 2014 baseline. During the year, RB continued to focus on actively engaging workers participation in occupational safety. In December 2016, over 80% of all those working at an RB manufacturing site had documented at least one proactive safety action they had taken. Programmes such as these have contributed to the continual reduction in the number of accidents recorded at RB sites.

No government prosecutions for employee health and safety violations were brought against RB factories, logistic centres or R&D sites in 2016.

The following table details RB's health and safety performance since 2001. We make some assumptions when calculating working hours (used for our LWDAR data). See Reporting Criteria at rb.com.

#### External assessment

To ensure the effectiveness of our health & safety management systems, we ensure they are independently verified by external assessors. The RB Group's health & safety approach is certified to the globally recognised OHSAS 18001 standard, as are all individual RB factories – except for two acquired sites whom we are working with to achieve certification. To assure compliance with legal requirements and RB minimum standards, we use external experts to visit selected factories and commercial offices.

#### Reporting and performance management

All sites report accidents and illnesses into a centralised tool as they occur, and all serious cases are fully investigated. First-aid cases and near misses are also reported. The learning from all incidents is shared, where appropriate, across the organisation, along with recognised best practices. Health & safety performance is consolidated at regional and group level on a monthly basis and is reviewed by senior management. We also set clearly defined standards for our suppliers and other third-parties within the supply chain and have a programme to monitor compliance through our GMS programme.

Health & safety	Units	2001	2010 <sup>1</sup>	2011 <sup>1</sup>	2012 <sup>2</sup>	2013 <sup>2</sup>	2014 <sup>2</sup>	2015 <sup>2</sup>	2016 <sup>3</sup>	% change vs. 2012	% change vs. 2001
Lost work day accident rate (LWDAR) <sup>3</sup>	per 100,000 hours	1.34	0.136	0.127	0.107 <sup>6</sup>	0.107 <sup>6</sup>	0.093	0.080	<b>0.071</b>	-33.8%	-94.7%
Employee fatalities	number	(1) <sup>5</sup>	0	0	1	0	0	1	<b>2</b>	-	-
Contractor fatalities	number	1	3	0	0	0	0	0	<b>0</b>	-	-
Severe accidents <sup>4</sup>	number	8	2	0	1	1	2	3	<b>1</b>	-	-

1 Assured by PwC in 2010, 2011 & 2016

2 Assured by EY between 2012-2015

3 At manufacturing, warehouse and R&D sites

4 A severe accident is a permanent disability, including loss of sensory motor dexterity, e.g. loss of a fingertip

5 Suspected suicide

6 Restated 2012 and 2013 figures due to restatement of accident numbers at factory sites

## Better society continued

### Human Rights

#### Our supply chain

We have a truly global supply chain, sourcing from 47 of our own manufacturing facilities and a range of suppliers who provide us with everything from raw and packaging material, finished goods, through to logistics, warehousing, office services and supplies. Some of our suppliers are large, multinational companies with substantial business and ethical conduct programmes of their own. Smaller, local companies – for example within our Development Markets (DvM) area – may not have such formal conduct programmes in place, but can still be excellent suppliers. Our suppliers are chosen based on quality, cost, location and compliance to our policies and standards, including our Policy on Human Rights and Responsible Business.

#### Our approach to managing Human Rights and Responsible Business

We believe that policies alone are not sufficient in ensuring compliance. Consequently, we have established a proactive compliance-monitoring programme focused on continuous improvement, to enable us to identify and remediate any deviations from our policy within our business and supply chain. The programme is integrated within the business at all levels and has cross-functional involvement from our Global Sustainability, Procurement, Manufacturing, Human Resources, Legal and Internal Audit teams. The programme is reviewed regularly by our senior leadership team, who take active interest, participate and steer our long-term strategy and targets.

To ensure a comprehensive but efficient approach to managing risks in our supply chain, we take a risk-based approach towards conducting due diligence to ensure our resources are effectively deployed to the areas of highest risk. Consequently, all of our own manufacturing facilities & distribution centres and high-risk direct suppliers & third party distribution centres are included in our compliance programme. In order to determine which suppliers and third party distribution centres are high risk, we regularly review our supplier base to determine which areas are at greatest risk from a labour, health & safety, environment and business integrity perspective. This process is conducted using internal and external expertise with consideration given to a range of

factors including country of operation, commodity supplied, sector profile, etc. Through this process, the following have been identified as high risk: third party manufacturers, distribution centres and selected raw and packaging material suppliers predominantly located within our Developing Markets area – Latin America, Middle East, Africa, North and South Asia.

Currently we have 47 RB manufacturing facilities, 7 RB distribution centres and 862 suppliers and 3rd party distribution centres amounting to 913 individual sites included in the programme. The steps of the programme and the associated performance are as follows:

#### 1. Engagement:

We actively communicate our requirements and expectation to all RB facilities. At the start of any commercial relationship, we communicate our requirements to suppliers and integrate the need to comply within the commercial contract. In 2016, the scope of our programme further increased to include additional high-risk raw and packaging material suppliers.

#### 2. Self-assessment:

The self-assessment is a useful tool to determine how well a site manages compliance and identifies areas of weakness, where further attention is required.

RB facilities are required to complete an annual self-assessment of compliance with our Policy on Human Rights and Responsible Business with 100% of facilities completing this in 2016.

Suppliers are also required to complete a self-assessment, which looks at compliance with labour, health & safety, environment and business integrity standards within their facility, using the ethical data-sharing platform, Sedex. At the end of 2016, 84% of those suppliers required to complete a self-assessment had done so, and we continue to engage proactively with those suppliers still outstanding.

#### 3. Risk assessment:

RB follows a risk-based approach to compliance monitoring; therefore, of those included in our compliance programme we conduct a specific site level risk-assessment to determine which sites are high risk and in need of further due diligence through a physical on-site audit.

All RB facilities are risk-assessed using the site's inherent labour risk, associated with the site's country of operation, product area, sector profile and site function, and management controls risk, which considers previous audit findings as a reflection of the site's ability to manage compliance on site.

All suppliers undergo a site level risk-assessment through Sedex. Sedex calculates the risk score using the site's management proficiency, determined through the site self-assessment, coupled with the inherent risk associated with the site's country, product area, sector profile and function. Due to the proximity to brand of our third party manufactures, we based their risk score purely on their inherent risk.

#### 4. Auditing:

High-risk RB facilities, suppliers and third party distribution centres are required to undergo a physical on site audit to assess compliance.

For our own operations, we conduct unannounced bespoke Human Rights and Responsible Business compliance audits, whilst for our supply chain we conduct semi-announced four-pillar SMETA audits, which assess compliance with the ETI Base Code with which our Human Rights and Responsible Business requirements are closely aligned. SMETA is chosen for our supply chain audits, as it is a widely accepted audit procedure that suppliers can share with multiple customers, thereby reducing their audit burden. We are committed to recognising ethical audits carried out for other customers, provided they meet our minimum criteria. In 2016, we audited 13 of our 31 facilities located in high-risk geographies, identifying 130 non-conformances with our requirements. The three most common issues identified concerned H&S (68%), working hours (10%) and remuneration (9%).

Since initiating our supply chain audit programme at the end of 2013, we have conducted 126 audits, the majority of which were of our third party manufacturers located within Latin America, Middle East, Africa, South and North Asia. Through our supply chain audits, we have identified 1,349 non-compliances with our requirements with the majority of issues

concerning H&S (54%), working hours & remuneration (21%), management systems (9%) and environment (7%).

#### 5. Addressing non-compliances:

We believe in working collaboratively with RB facilities and suppliers to address all areas of non-compliance and build capability to ensure continuous improvement. This involves establishing partnerships between Global Sustainability, Procurement, Manufacturing and our suppliers.

At the end of 2016, 84% of all issues identified at RB facilities during 2016 were satisfactorily resolved with action plans in place for the remaining issues.

Of the issues identified through our supply chain audit programme since 2013, 82% are closed and we will continue to work with suppliers to close the remaining issues.

#### 6. Capability Building:

Raising awareness and understanding of human rights among our people and suppliers plays a crucial part in preventing, identifying and remediating human rights issues. In 2016:

- 85% of relevant functions and roles involved in supply chain management completed mandatory eLearning on our human rights requirements and associated compliance programme.
- We invited key RB suppliers and Procurement teams to attend AIM-Progress 'Responsible Sourcing' conferences in Thailand and Brazil.
- RB continues to be an active member of AIM-Progress – a forum of leading FMCG companies that enable and promote responsible sourcing practices and sustainable production systems, while seeking to reduce the burden for suppliers through collaboration and the harmonisation of approaches.

Further information on our Human Rights programme can be found on our corporate website (<https://www.rb.com/responsibility/workplace/human-rights/>)



## Better society continued

### Healthier lives

**2020 TARGET:** Reach 400m people with health and hygiene messaging.

**PROGRESS:** 365m people reached

Our brand-led educational campaigns support our vision of a world where people are healthier and live better. They do this by promoting health and hygiene messages, by bringing together the awareness and education work of our Dettol, Lysol, Harpic, Mortein and Durex brands. Our brand-sponsored programmes deliver health and hygiene related messages specific to the brand, for example, personal and home hygiene education for Dettol, or sexual health education for Durex. Brand messaging may also be targeted at specific audiences, for example, new mothers and schoolchildren for Dettol, or young people for Durex. The figures below measure the number of people reached via these sponsored campaigns.

### Reach

Reach is the total number of people encouraged to improve their health and hygiene behaviour as a result of brand educational programmes. The definition includes both 'direct reach' and 'indirect reach' programmes.

Total Reach is calculated as the total number of direct contacts and indirect contacts per brand educational programme.

Direct contact is defined as an individual who has attended a programme in person which consisted of interactive elements such as an educational videos, slide presentations, lectures by health professionals and demonstrations of health and hygiene practices. Some programmes use the distribution of educational materials – such as booklets, cartoon comic books and product samples – where there is an implied endorsement via delivery from an expert, such as a health professional.

Indirect contact is defined as an individual who has engaged with a programme via the following means:

- watching educational video content (the video must have an educational format and focus on health and hygiene information. Short product advertisements – even those containing health & hygiene information – do not qualify);
- accessing educational content on a brand website, e.g. health and hygiene tips;
- pledging support to the cause;
- engaging with educational content placed on social platforms.

In cases where a programme involves a combination of the above interactions, only one occurrence is included in the reach values (that with the higher number of participants), to avoid multiple counting.

The total reach numbers above are assured by PwC. For more details see the Reporting Criteria and Basis of Preparation document at [rb.com](http://rb.com)

Brand	Priority areas	2013 Reach (m)	2014 Reach (m)	2015 Reach (m)	2016 Reach (m)	Total Reach (m)
Dettol/Lysol (also including Sagrotan and Napisan brands)	Hygiene practices – new mums	16	20	12	7	55
	Hygiene practices – school children	8	9	8	6	31
Durex (also including Sico and Jontex brands)	Sexual health & wellbeing	–	71	44	102	217
Mortein (also including SPB, Shieldtox and Pif Paf brands)	Mosquito-borne disease prevention and protection	–	2*	18	9	27
Harpic	Hygiene and sanitation	0.1	0.2	6	3	9
Dettol & Harpic combined	Hygiene and sanitation	–	17.3	7.4	0.5	25.1
<b>Total RB</b>		<b>24</b>	<b>117</b>	<b>96</b>	<b>128</b>	<b>365</b>

\* To avoid potential double counting, Mortein numbers are excluded from 2014 as people could have been reached by both Dettol and Mortein programmes.

## Better society continued

### One-third Net Revenue from more sustainable products in 2020

**2020 TARGET:** 1/3 Net Revenue from more sustainable products

**PROGRESS:** 13.2% Net Revenue from more sustainable products

By 2020, one-third of our NR will come from 'more sustainable' products as measured by our Sustainable Innovation Application. Our NR from more sustainable products was £1,193 million in 2016 (based on data from Q4 2015 to Q3 2016), equivalent to 13.2% of total NR. Our NR target will improve our ability to reduce our full lifecycle impacts by translating them into the language of our business. The sustainability team works closely with the finance function to track our NR from more sustainable products to help bolster the business case for sustainability. These efforts, supported by performance objectives requiring RB's brands to derive a percentage of their NR from more sustainable products, will help ensure that our biggest selling products are more sustainable.

### Sustainable Innovation Application

We use RB's Sustainable Innovation Application to determine whether or not a product will be considered 'more sustainable' and have its revenues count towards our NR target. The application is a streamlined Life Cycle Assessment (LCA) tool that models the most important environmental impacts of products, including raw materials and consumer use. To count towards our NR target, a product innovation must score better in at least one of the following categories without scoring worse in any others:

- Carbon – significant savings (>10%) in grams of CO<sub>2</sub>e per dose.
- Water – a significant decrease (>10%) of water impact per dose.
- Ingredients – adhere to RB's Restricted Substances List and have at least one preferred sustainability credential (Fairtrade or FSC certification, for example).
- Packaging – the product must use less packaging overall or use less virgin packaging material resulting in a significant savings (>10%) in the weight of virgin packaging per dose (after subtracting any post-consumer recycled content).

The tool is also used to assess our product pipeline so we know what changes are likely to affect our total carbon and water use footprints over the coming three years as products are launched. A network of Sustainability Champions representing each category in their respective markets has been established across the globe to help embed sustainability into the product development process.

### Consumer safety

Our consumer safety policy (available at rb.com) ensures safety is an integral part of our product development process. It is our corporate responsibility to deliver solutions in a way that meets needs while continuously assuring safety and improving environmental profile of our products. We recognize that standards are improving constantly and we can no longer remain satisfied that compliance with the law is a sufficient safeguard. Our global Consumer Safety & Vigilance team have revitalized our approach to safety as outlined in our Policy that comprises guidelines, standards and procedures which are implemented throughout the product lifecycle from conception through market delivery and post launch market surveillance.

The global safety team is an integral part of our SQC team and as such ensures products are evaluated based on their intended use and foreseeable misuse within the framework of the applicable regulatory jurisdiction. The safety team works closely with R&D (global and regional) and across all of our business functions. For example, they work with supply to ensure the appropriate raw materials are used and with category development to ensure the product is appropriately packaged and that appropriate precautions and safety language are provided on the product label.

### Product quality and consumer satisfaction

We are committed to consistently delivering the highest quality of products. We build in quality at the product design stage and aim to minimise quality risks across our supply chain, preventing quality issues before they arise. Our Quality organisation comprises global, area, regional and site-level quality assurance functions that oversee and monitor process and product quality. We regularly audit key suppliers to assure and continuously improve the quality of raw materials, components or finished products.

RB is committed to providing consumers with the highest level of product quality. In support of this, the Consumer Relations department relay consumer comments and complaints to the organisation to ensure continuous improvement of our products, maintaining the trust and loyalty of our consumers. Our continuous focus is on consumer satisfaction and to provide safe and effective quality products. To ensure quality products one of our KPIs is CPM which we monitor very closely. In 2016, CPM increased by 6% compared with 2015; however, is still 2% less than in 2014.

## Better society continued

### RB's Restricted Substances List

Since 2001, we have maintained a Restricted Substances List (RSL) to ensure a consistent global approach towards minimising and eliminating potential ingredients of concern. We have a 4-pillar RSL approach that assesses the regulations, sustainability, safety, and public landscape of the ingredients we use to identify potential risks and opportunities for substituting products with safer, healthier or more environmentally-friendly alternatives. All staff responsible for the design, development and purchasing of ingredients receive annual training to ensure they are up-to-date with the RSL.

### Some highlights from 2016

- As part of our renewed commitments to ensuring consumer safety, we initiated a full strategic review of our RSL including ingredient restrictions, methodology and governance.
- We successfully accelerated our commitment to globally phase out the use of microbeads in our personal care portfolio in recognition of the negative impact they pose to marine environments. We are now on target to complete this global phase-out by 2018.

- RB joined the GC3 (Green Chemistry Commerce Council) which is a cross sectoral, business-to-business network of companies and other organizations working collaboratively to accelerate green chemistry across sectors and supply chains. We were particularly interested in their thought leadership on preservatives demonstrated by the release of a need statement & development criteria to accelerate the development and commercialization of new, safe preservatives for personal care & household products. RB is proud to be working in collaboration with our peers, suppliers, retailers and other stakeholders as a sponsor of GC3's Preservative Challenge competition which will be launched in 2017. RB has had a longstanding commitment to making the best preservative choices which began in 2006 with the phase-out of formaldehyde.

Our RSL policy further defines our commitment and approach and can be viewed at [RB.com](http://RB.com).

The table on the right outlines some achievements of our Restricted Substances List<sup>1</sup>. This table shows the pro-active removal programmes that RB has delivered over the years which are only a part of the longer Restricted Substances List to which RB adheres.

### Ingredients removed from global product formulas

Ingredient	Completion date	Comments
Polyethylene (PE) beads	2018	Removal
Parabens (butyl, propyl, isoparabens)	2013 (EU) 2015 (rest of the world)	Reduction programme (excluding medically licensed products)
Chlorpyrifos	End 2009	
Boron compounds	End 2009	Removal/reduction to meet threshold levels established in the EU
PVC packaging of household products	End 2009	Health care products are excluded from this target as no viable alternatives have yet been identified for some healthcare applications
Fragrance raw materials:		
Non-GN	End 2009	
Geranyl Nitrile (GN)	End 2007	
Brominated flame retardants	End 2007	BFR with an adverse safety profile
Formaldehyde-donor preservatives	End 2009	
Formaldehyde	End 2006	
APEs/NPEs	End 2006	
Dichlorvos	End 2006	
Glycol ethers (monoethylene series)	End 2006	
Paradichlorobenzene (PDCB)	End 2006	

<sup>1</sup> Through acquisitions the Company can periodically acquire additional products which contain ingredients which may be banned or restricted under the Restricted Substances List. Those products are then assessed to be brought in line with RB's ingredients policy.

## Better society continued

### Preservative task force

Our mission is to deliver high-quality and safe products that delight the consumer.

A crucial area for our scientists is the development of sound products that will not maintain or allow proliferation of bacteria. Bacterial contamination in products not only poses a health threat to the user, but can substantially alter product performance and aesthetic characteristics. In order to meet this very important need, our products must be preserved. We do this with the addition of safe and effective chemical preservatives, and/or formulate in a manner that is innately hostile to bacteria. Preservatives are a highly-regulated family of ingredients and RB is committed to using the safest preservative systems possible that meet or exceed all local and global requirements.

In 2015, we completed a project to remove isoparabens from our cosmetic portfolio globally and have also restricted the use of propyl and butyl parabens. Parabens are a family of chemical preservatives used across many types of consumer goods, especially in cosmetics. Whilst the preservation of our products is an important function to ensure they are safe to use, recent research has linked the use of parabens to potential health risks. As part of our Better Ingredients programme, our aim is to maintain pace with new scientific research or advance research in specific areas and make ingredient decisions that will always be safe for our consumers.

Over 60 products that previously contained parabens have been reformulated, replaced or discontinued. To accomplish this task, a team of expert chemists and microbiologists researched alternative preservatives, partnered with key suppliers and helped replace the parabens with more sustainable options.

Our work continues; the team monitors new research on the safety and effectiveness of current and new preservatives, advises, recommends and qualifies better preservatives. Drawing on RB's innovation capabilities, our goal is to discover new ways to preserve our products whilst minimising the use of chemical additives. RB is proud to be working in collaboration with our peers, suppliers, retailers and other stakeholders as a sponsor of GC3's Preservative Challenge competition which will be launched in 2017.

### Transparency on ingredients

Consumers have a right to know what is in the products they purchase, and we are committed to providing access to ingredient information above and beyond legislative requirements. We have an ambition to provide 100% transparency on ingredients to enable our consumers to make informed decisions. In 2016, 66% of RB's Net Revenue came from products for which we publish lists of ingredients:

- EU: [rbeuroinfo.com](http://rbeuroinfo.com)
- North America and Canada: [rbnainfo.com](http://rbnainfo.com)
- Australia: [rb-msds.com.au](http://rb-msds.com.au)
- Korea: <http://oxy.dartz.com/?rf=CA>

### Animal testing

RB has a strict policy on animal testing which is available on [rb.com](http://rb.com). We will not conduct or commission animal tests on ingredients or finished products, or request our suppliers to do this, unless there is a legal requirement or a safety concern for which there is no alternative method. Our animal test policy can be found at [RB.com](http://RB.com). RB is a supporter of FRAME – a UK charity with a mission to develop alternatives to animal testing (learn more at [www.frame.org.uk](http://www.frame.org.uk)). Together with FRAME, we are committed to finding all possible alternatives to tests that involve animals.

### Green chemistry of RB products

RB applies the key concepts of green chemistry to all products within the development portfolio. Following these steps helps to ensure we develop products that have the lowest possible environmental impact:

- 1. Prevention**  
It is better to prevent than to treat waste.
- 2. Designing Safer Products**  
Products should be designed to affect their desired function while minimising hazard, toxicity and potential for exposure.
- 3. Design for Energy Efficiency**  
Energy requirements of products should be recognised for their environmental and economic impacts and should be minimised where possible.
- 4. Catalysis**  
Catalytic chemistry is superior to stoichiometric.
- 5. Design for Degradation**  
Products should be designed so they break down innocuously and do not persist in the environment.
- 6. Real-time analysis**  
Develop tools to allow for real-time assessments and feedback during the product development process.



HEALTH › HYGIENE › HOME

Better  
environment

# Better environment

## Our environmental commitment

RB is committed to running its business in an environmentally sound and increasingly sustainable manner. We recognise that our processes and products have both direct and indirect environmental impacts and we seek to achieve continuous improvement in our environmental performance with respect to those impacts. We are committed to using energy and natural resources wisely, eliminating and minimising waste where practical, and reusing and recycling where it is sensible to do so. Our policies and programmes look beyond the activities under our direct control to the impacts of our products across the whole lifecycle.

## Total carbon and water use footprints 2020 goals (using 2012 baseline)

**2020 TARGET:** 1/3 reduction in our carbon footprint per dose

**PROGRESS:** 0% change since 2012

**2020 TARGET:** 1/3 reduction in water impact per dose

**PROGRESS:** 6% reduction since 2012

## One-third less carbon footprint per dose by 2020

Our carbon performance is measured by our total carbon footprint per dose of product against a 2012 baseline (62.14g CO<sub>2</sub>e per dose). In 2016, our total carbon footprint was 62.08g CO<sub>2</sub>e per dose, a 0% change on 2012. Total carbon footprint enables robust and comprehensive calculation of greenhouse gas emissions for the "cradle-to-grave" lifecycle of RB products and this breakdown is shown in the table below. The system has been developed with reference to the requirements and principles of recognised international standards such as PAS 2050:2011 and the greenhouse gas protocol. Selected data of the 2016 performance year has been subject to assurance by PwC (refer to page 3 for further information).

## One-third less water impact per dose by 2020

Our water performance is measured by our total water use footprint (litres) and total water impact footprint litre equivalents (e-litres) per dose of products against a 2012 baseline (4.90 litres per dose and 8.22 e-litres per dose respectively). In 2016, our total water use footprint was 4.96 litres per dose, a 1% increase on 2012. Our total water impact footprint was 7.76 e-litres per dose in 2016, a 6% reduction on 2012.

Our total water use footprint and total water impact footprint enable robust and comprehensive calculation of water use and water impact for the "cradle-to-grave" lifecycle of RB products. The breakdown of the water impact footprint is shown in the table below. The water use and water impact measurement methodologies have been developed in general accordance with the requirements and principles of the following recognised water accounting guidance document: The water footprint assessment manual: Setting the global standard, (Hoekstra, A.Y., Chapagain, A.K., Aldaya, M.M. and Mekonnen, M.M. 2011). Selected data of the 2016 performance year has been subject to assurance by PwC (refer to page 3 for further information).

## Total carbon, water use and water impact footprints 2016

2016		Raw & pack	Manufacturing	Logistics	Retail	Consumer use	End of life	TOTAL/AVERAGE
DOSES 2016	billions of doses							534.38
CARBON 2016	total (million tonnes CO <sub>2</sub> e)	5.54	0.44	0.70	0.83	25.35	0.32	33.18
	g/dose	10.37	0.83	1.31	1.56	47.43	0.59	62.08
	% split	17%	1%	2%	3%	76%	1%	
WATER FOOTPRINT 2016	total (m litres)	1,097,211	4,484	4	–	1,548,474	–	2,650,173
	litres/dose	2.05	0.01	0.00	–	2.90	–	4.96
	% split	41%	0%	0%	0%	58%	0%	
WATER IMPACT 2016	total (m e-litres)	539,496	4,519	3	–	3,604,736	–	4,148,754
	e-litres/dose	1.01	0.01	0.00	–	6.75	–	7.76
	% split	13%	0%	0%	0%	0%	0%	

Note: Where lifecycle stage data do not sum to total data, this is due to rounding.

	2012	2013	2014	2015	2016	% change on 2012	% change on 2015
Carbon (g/dose)	62.14			62.42	<b>62.08</b>	0%	-1%
Water use (litre/dose)	4.90			4.94	<b>4.96</b>	1%	0%
Water impact (e litre/dose)	8.22			7.44	<b>7.76</b>	-6%	4%

Note: 2012 and 2015 data were restated due to methodological improvements.

## Better environment continued

### Environment performance in manufacturing sites and warehouses

#### Energy use

**2020 TARGET:** 35% reduction in energy consumption (per unit of production)

**PROGRESS:** 18.5% reduction since 2012

Since 2012, we reduced our energy consumption by 18.5% using 0.3835 gigajoules (GJ) for every 1,000 consumer units (CUs) of production. Our energy and production efficiency programmes driven by the right employee behaviours are behind this improvement.

For example:

- A number of energy efficiency measures have been implemented across our manufacturing sites. We will continue to invest in energy efficient infrastructure and implement energy reduction measures, such as chiller replacement, conveyor switching, improvements to compressed air systems, use of waste heat for heating, installing timers for cold air distribution while ensuring that heating, air-conditioning and lighting controls are optimised.
- At a number of facilities we have upgraded lighting and heating controls, installed automatic boiler regulators and moved to more energy efficient LED lighting.

Since 2000, we have reduced energy consumption by 58.2% per unit of production and 24.3% in absolute energy used. This shows a good track record of reducing energy use and an acceleration in our progress in recent years.

#### Greenhouse gas emissions

**2020 TARGET:** 40% reduction in greenhouse gas emissions (per unit of production)

**PROGRESS:** 25% reduction since 2012

Since 2012, we've reduced greenhouse gas emissions by 25% per unit of production: down to 0.0302 tonnes of CO<sub>2</sub> per 1,000 CUs. Total emissions from manufacturing and warehouse facilities were 228,825 tonnes of CO<sub>2</sub> equivalent. These emissions are generated directly on-site, through burning fossil fuels for space heating, hot water and process heating or cooling, and indirectly from our use of electricity.

Greenhouse gas emissions from energy use in manufacturing and warehouses have fallen by 61.9% per unit of production since 2000, and absolute emissions are 31% lower. In 2016, we again participated in the CDP Carbon disclosure where we scored A-.

As well as improvements in energy efficiency we have made further greenhouse gas savings with new technologies and fuels:

- Installed a highly efficient 1.5MW CHP plant in Mira, Italy.
- 14 of our sites use energy from combined heat and power (CHP) plants or more sustainable energy such as biomass and solar power.

#### Group emissions

Our total emissions in 2016 from R&D and offices were 12,267 and 19,726 tonnes of CO<sub>2</sub>e respectively, which, added to our emissions from manufacturing and warehouse facilities (228,825 tCO<sub>2</sub>e), results in a total of 260,818 tonnes of CO<sub>2</sub> equivalent.

	tCO <sub>2</sub> e
Scope 1	80,321
Scope 2	180,497
<b>Total</b>	<b>260,818</b>

Greenhouse gas emissions reported from manufacturing in 2016 are net emissions (228,825) which equals gross (265,639) emissions minus GHG emissions from renewable electricity purchased (36,814). For further information please see our Reporting Criteria and Basis of Preparation document on rb.com.

#### Other emissions

RB is not a significant user of ozone depleting substances (ODS) and, as a result, this is not a significant issue for our business. Common industrial air emissions such as sulphur and nitrous oxides (SO<sub>x</sub> and NO<sub>x</sub>) and particulates (dust) are not generally emitted from our manufacturing facilities. Where present, these emissions are below applicable legal requirements.

#### Net zero emissions from manufacturing

**2017 TARGET:** Net zero emissions from manufacturing

**PROGRESS:** Net zero emissions from manufacturing; over 8.3m trees planted since 2012

RB's Trees for Change programme launched in 2006 because we believe it is important to actively mitigate our Company's impact on climate change. Our goal for the programme was to plant enough trees to take in the same amount of carbon dioxide as our manufacturing operations generated from 2006 to 2017, effectively making our manufacturing operations carbon neutral. We have achieved this goal through planting over 8 million native trees since the inception of the programme. Our methodology for estimating the carbon sequestered by the trees planted in our RB Trees Programme is aligned to the Intergovernmental Panel on Climate Change's (IPCC) Good Practice Guidance (GPG) for Land Use, Land-Use Change and Forestry (LULUCF) Projects (2003). This description has been subject to independent assurance by PricewaterhouseCoopers LLP in 2015.

### Manufacturing & warehouse energy and greenhouse gas data

Energy usage	Units	2000	2012	2013	2014	2015	2016	% change vs. 2015	% change vs. 2012	% change vs. 2000
Per unit production	GJ per 1,000 CU	0.9166	0.4704	0.4488	0.4130	0.3959	<b>0.3835</b>	-3.1%	-18.5%	-58.2%
Absolute usage	Million GJ	3.84	3.23	3.20	3.08	2.99	<b>2.91</b>	-2.9%	-10.0%	-24.3%

Greenhouse gas emissions	Units	2000	2012	2013	2014	2015	2016	% change vs. 2015	% change vs. 2012	% change vs. 2000
Per unit production	Tonnes CO <sub>2</sub> e per 1,000 CU	0.0791	0.0402	0.0392	0.0374	0.0347	<b>0.0302</b>	-13%	-25%	-61.9%
Absolute emissions	Thousand tonnes CO <sub>2</sub> e	331.4	276.3	280.0	279.2	262.7	<b>228.8</b>	-12.9%	-17.2%	-31%

## Better environment continued

We have always managed the programme in-house rather than using an external offsetting company, which means we are responsible for ensuring enough trees survive and grow, whilst maintaining the land we own using local contractors and striving to be a good neighbour. We understand that land use priorities are changing within British Columbia. As a result, in 2015, we paused the programme whilst we completed a full review. As part of this review, we engaged with local stakeholders to understand how RB's Trees for Change programme could continue to make a positive contribution to the local community. Based on the feedback from the community, in 2016 we decided to continue to maintain the trees and land already planted as part of the programme, but to discontinue efforts to purchase any additional land. RB will continue to be a responsible neighbour, maintaining the land it owns and keeping the properties safe and secure, using local suppliers. At this time, we do not plan on implementing another Trees for Change programme. Instead we will focus our efforts on reducing our direct greenhouse gas (GHG) emissions through manufacturing efficiencies.

### Water management Water use

**2020 TARGET:** 35% in water use (per unit of production)  
**PROGRESS:** 31.8% reduction since 2012

In 2016, we used 0.657m<sup>3</sup> of water for every 1,000 CUs of production, 31.8% less than in 2012. In 2013 we amended our 2020 target to a 35% decrease in water use per unit of production due to strong performance on this topic. The decrease in our water consumption per unit of production is due to process improvements.

For example:

- Expand RO installation to increase the recovery of concentrate (Nowy Dwor, Poland).
- Water recycling on dipping lines (Shangma, China).
- Pre-heating purified water used for clean in place (CIP) and using flash steam for water boiler feed pre-heating (Chartres, France).
- Re-using/Re-cycling (89%) water by implementation of ultra-filtration and reverse osmosis systems. (Bangplee, Thailand)

In 2016, we reused/recycled 10,913,461m<sup>3</sup> (equivalent to 21.9% of total water consumption) and drew water from the following sources:

- Public supply – 3,048,238m<sup>3</sup>
- Private wells – 157,590m<sup>3</sup>
- Rivers – 306,984m<sup>3</sup>
- Other (including tankers) – 52,012m<sup>3</sup>

Since 2000, our water use has decreased by 51.6% per unit of production, and absolute water use has decreased by 12.3%. In 2016, we again participated in the CDP Water disclosure where we scored A–.

### Water discharges

We have reduced water discharges by 65.7% per unit of production and decreased by 38% in absolute terms since 2000. In 2016, our water discharges increased by 2.7% per unit of production. We discharged 0.289m<sup>3</sup> of water for every 1,000 CUs of production in 2016 and 2.191 million m<sup>3</sup> in total.

Of the water we used in 2016, 43.96% was discharged into water systems. The remaining 56.03% went into our products, was in liquid and solid wastes sent off site, or evaporated from cooling and process systems.

In 2016, we discharged water via the following methods:

- Sewers (treated before discharge) – 123,088m<sup>3</sup>
- Sewers (untreated before discharge) – 300,810m<sup>3</sup>
- Natural water bodies e.g. rivers (treated before discharge) – 259,832m<sup>3</sup>
- Natural water bodies e.g. rivers (untreated before discharge) – 131,845m<sup>3</sup>
- Other water discharges (Treated/Untreated) – 261,250m<sup>3</sup>

Water use	Units	2000	2012	2013	2014	2015	2016	% change vs. 2015	% change vs. 2012	% change vs. 2000
Per unit of production	m <sup>3</sup> per 1,000 CU	1.357	0.964	0.788	0.718	0.675	<b>0.657</b>	-2.6%	-31.8%	-51.6%
Absolute	million m <sup>3</sup>	5.683	6.616	5.625	5.357	5.108	<b>4.983</b>	-2.4%	-24.7%	-12.3%
Water discharge*	Units	2000	2012	2013	2014	2015	2016	% change vs. 2015	% change vs. 2012	% change vs. 2000
Per unit of production	m <sup>3</sup> per 1,000 CU	0.844	0.496	0.344	0.289	0.281	<b>0.289</b>	2.7%	-41.7%	-65.7%
Absolute	million m <sup>3</sup>	3.532	3.405	2.457	2.152	2.128	<b>2.191</b>	2.9%	-35.7%	-38%

\* All manufacturing facilities and warehouses



## Better environment continued

### Waste management

**2020 TARGET:** Zero waste to landfill  
**PROGRESS:** 98% of factories achieved zero waste to landfill status (inc. hazardous and non-hazardous waste)

**2020 TARGET:** 10% reduction in waste (per unit of production)  
**PROGRESS:** 19.2% reduction since 2012

Since 2012, waste per unit of production has decreased by 19.2%. We created 0.0094 tonnes of waste for every 1,000 CUs of production in 2016. Our total absolute waste in 2016 reduced by 5.3% while our total production increased by 0.1%. We have reduced our total waste generation by 26.9% per unit of production since 2000 but the total waste volume has increased by 32.5%.

Our long-term strategy is to continually reduce waste generation and improve our recycling of waste arising from our operations, especially hazardous waste, which is more difficult to recycle and dispose of. Our hazardous waste was 0.0013 tonnes per 1,000 CUs (13.27% of our total waste) and is disposed of in accordance with local legislative requirements.

Our hazardous waste decreased by 19.4% per unit of production and 11% in absolute terms compared to 2012. Continual improvement of our waste management since 2000 has reduced hazardous waste generation by 42.5% per unit of production.

As of 31 December 2016, 98% of our manufacturing sites have achieved zero waste to landfill. Our definition for this includes all hazardous and non-hazardous manufacturing waste. In total, 46 factories no longer send waste to landfill, a significant increase since 2012 when only four sites had a zero waste to landfill status. In 2016, 1% of our total waste went to landfill (a reduction of 97% since 2012).

This was achieved by the hard work of our sites identifying alternatives to landfill for their waste streams. In addition we created a network of waste champions, partnering manufacturing sites who have achieved zero waste to landfill with those who have not to ensure knowledge sharing; we have launched 'race to zero' campaign and global employee challenge to encourage innovative waste reuse and recycling ideas. Regular waste audits were rolled out to monitor progress and identify opportunities for improvement.

### Transportation and logistics

We use transport contractors to move our products by road, sea, rail and sometimes air. As we do not have operational control of these companies we do not have direct control over their greenhouse gas emissions but we work with them to improve efficiency and reduce emissions.

Most of our impact is through road transportation. To reduce the environmental impact (and cost) of product transport, we are working with our transport contractors to:

- combine our truck journeys with those of other companies, so that a truck is carrying products on both the outward and return legs of its journey, reducing 'empty' running;
- combine 'less than a truck load' (LTL) shipments;
- move freight off roads to rail, inland waterways and inland sea shipping.

This will increase our efficiency and reduce our total carbon footprint, contributing to our carbon reduction goals.

Waste <sup>2</sup>	Units	2000	2012	2013	2014	2015	2016	% change vs. 2015	% change vs. 2012	% change vs. 2000
Per unit of production	Tonnes per 1,000 CU	0.0129	0.0117	0.0114	0.0105	0.0100	<b>0.0094</b>	-5.5%	-19.2%	-26.9%
Absolute	Thousand tonnes	53.95	80.00	81.62	78.35	75.45	<b>71.41</b>	-5.3%	-10.7%	32.4%
Waste sent to landfill	% of waste sent to landfill	39% <sup>1</sup>	29%	20%	13%	4%	<b>1%</b>	-77.9%	-97%	-97.7%

Hazardous waste <sup>*</sup>	Units	2000	2012	2013	2014	2015	2016	% change vs. 2015	% change vs. 2012	% change vs. 2000
Per unit of production	Tonnes per 1,000 CU	0.0022	0.0016	0.0016	0.0014	0.0012	<b>0.0013</b>	7.8%	-19.4%	-42.5%
Absolute	Thousand tonnes	9.10	10.65	11.43	10.41	8.76	<b>9.48</b>	8.2%	-11.0%	4.1%

<sup>1</sup> Landfill based on 2001 data.

<sup>2</sup> Hazardous and non-hazardous waste

\* All manufacturing facilities and warehouses

# Better environment *continued*

## Environment, Health & Safety (EHS) management systems

**2020 TARGET:** 100% of manufacturing sites with certified EHS management systems

**PROGRESS:** 100% of factory sites held ISO 14001, 96% held OHSAS 18001

In 2012, we set a target for all manufacturing sites to have implemented functioning EHS management systems externally certified to ISO 14001 and OHSAS 18001 by 2020 and committed to reporting annually on our progress. As of 31 December 2016, 100% of our factory sites, where we have overall management responsibility, held ISO14001 certification and 96% held OHSAS 18001 certification. All our factory sites are currently working towards developing certified systems by 2020. Our Group Health & Safety management system continues to be certified as compliant with OHSAS 18001.

## Environmental and occupational safety prosecutions and fines

Our Belle Mead factory in the USA was fined USD7.5k for the spill of 5,000 gallons of methyl sailcylate into the waste water sewage system. Total compensation fees for the damage caused in the treatment plant was USD49.5k.

We had minor spills at our sites in Shashi, Belle Mead, St Peters and Salt Lake City.

## Our approach to product packaging

Packaging is essential to securely and safely contain our products. However, it is a very visible source of waste once the products have been used. Optimising product packaging has several environmental benefits:

- It reduces the raw materials and energy used in manufacturing the packaging.
- It reduces the size and weight of products requiring transport, cutting fuel use per item.
- It can make it easier for consumers to recycle, where facilities exist.
- It reduces the volume of waste packaging generated for consumer reuse, recycling or disposal.

We have a three-pronged approach:

1. Reduce packaging weight.
2. Consider more sustainable materials.
3. Increase recyclability.

As part of this approach, our product developers are required to measure and manage packaging quantities and types through RB's Sustainable Innovation Application. In order for a product to be considered more sustainable in relation to packaging and count towards our NR target it must use less packaging overall or use less virgin packaging material, resulting in significant savings (>10%) in the weight of packaging per dose (after subtracting any post-consumer recycled content).

Our main packaging materials are:

- paper and board;
- plastics (mainly PP, HDPE and LDPE);
- tin plate.

Systems/Regulatory management systems		2009	2010	2011	2012	2013	2014	2015	2016
Manufacturing sites covered by ISO 14001	Total	18	18	25	28	32	41	45	47
Total manufacturing sites for environment data	Total	43	43	48	45	46	47	47	47
Manufacturing sites covered by ISO 14001	%	42	42	52	62	70	87	96	100
Manufacturing sites covered by OHSAS 18001	Total	15	20	23	26	33	43	45	45
Total manufacturing sites for health & safety data	Total	44	48	49	49	50	47	47	47
Manufacturing sites covered by OHSAS 18001	%	34	42	47	53	66	91	96	96
Internal Audits EHS function (Inc. data audits)	%	44	31	16	20.4	24	23	42	23

## Better environment *continued*

### Responsible sourcing of natural raw materials

We are committed to ensuring the natural raw materials used in our products and packaging are produced in a manner that meets or goes beyond applicable laws and regulations, respects human rights, safeguards health & safety, protects biodiversity and the environment, does not cause deforestation and generally supports the contribution of business to achieving sustainable development.

We are committed to:

- zero deforestation;
- zero development on peatlands (of any depth);
- zero exploitation of workers or communities;
- being transparent about our requirements and our progress with implementation.

Our Natural Raw Materials Policy & Standard applies to all natural raw materials used in products and product packaging that are produced by or on behalf of RB, including at both company owned/managed facilities and facilities owned, managed or operated by suppliers, contractors and subcontractors. Our Global Sustainability team set the standards and provide guidance on implementation. Our supply function is responsible for implementing the policy and standard, details of which can be accessed via [rb.com](http://rb.com)

### Key policy requirements

Our key policy requirements state that natural raw materials must be from sources that:

- are managed in compliance with all applicable environmental, labour, and health & safety laws and regulations, and ILO Fundamental Conventions<sup>1</sup>;
- do not contribute towards deforestation or degradation of peatlands of any depth, primary forests<sup>2</sup> or High Conservation Value areas, as defined by the HCV Network<sup>3</sup>;
- are managed in accordance with all applicable tenure and use rights, including the respect of indigenous people's and local communities' rights;
- are not using toxic chemicals (as listed by the Stockholm (POP) Convention)<sup>4</sup>;
- do not use fire to prepare land for replanting and/or waste disposal;
- are managed in a manner that protects biodiversity and ecological processes; and
- actively seek to utilise previously cleared and/or degraded land rather than natural forests. Plantations should optimise the use of agricultural land where appropriate, and not put indirect pressure on forests through overuse of agricultural land in an area.

1 [www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm](http://www.ilo.org/global/standards/introduction-to-international-labour-standards/conventions-and-recommendations/lang--en/index.htm).

2 Primary forest is a forest ecosystem with the principal characteristics and key elements of native ecosystems such as complexity, structure, and diversity and an abundance of mature trees, relatively undisturbed by human activity. Human impacts in such forest areas have normally been limited to low levels of hunting, fishing and harvesting of forest products. Such ecosystems are also referred to as 'mature', 'old-growth', or 'virgin' forests.

3 'High Conservation Value Areas' refers to the areas necessary to maintain or enhance one or more High Conservation Values (HCV), where an HCV is a biological, ecological, social or cultural value of outstanding significance or critical importance. Specific definition of the six HCV categories is provided in our Standard for the Responsible Sourcing of Natural Raw Materials available on [rb.com](http://rb.com).

4 The Stockholm Convention on Persistent Organic Pollutants lists 22 organophosphates, such as DDT, which signatory countries agree to cease making and using other than in specific exceptional cases. POPs can be very widely distributed by wind; they are slow to biodegrade and tend to build up in animal tissue.

### Monitoring compliance

Each year we complete a risk assessment of all natural raw materials used within our products. We use an external company to assess a range of social and environmental criteria to grade the materials we use from low to high priority. The results of this assessment ensures we continue to focus our efforts on the highest priority materials. Specific due diligence is then performed for materials deemed to be of a higher priority. Our compliance monitoring programme includes suppliers of key natural raw materials, all of whom must comply with our policy which is an integral part of our commercial contracts.

Our compliance monitoring activities include:

- in-depth responsible sourcing programmes
- traceability and compliance questionnaires
- supplier engagement which includes visits, meetings and assessments
- independent audits

### Working with our suppliers

We are dedicated to working with our suppliers to ensure the responsible sourcing of natural raw materials against our policy. We understand that in some regions or countries, particularly where there are complex and informal supply chains, reliably confirming compliance may be a difficult, complicated and lengthy process. Working with our suppliers, we aim to address any issues identified, ensuring plans are in place to address them. We value an open and honest approach to any occurrences of non-compliance and a genuine commitment to correct those non-compliances in an appropriate time frame. We believe that working with suppliers while they address non-compliances, of their own suppliers or internally, may be a better long-term solution than immediately discontinuing work with them. However, if mutually acceptable solutions cannot be reached within appropriate timescales, we may be required to suspend our business relationship until a satisfactory solution can be found.

### Responsible palm oil sourcing

Although RB is a relatively small user of palm oil derivatives, we are committed to helping address issues around palm oil sourcing. We fully support the goal of no deforestation or degradation of peatlands (of any depth), primary or high carbon stock forests, or high conservation value areas. We are a member of the Roundtable for Sustainable Palm Oil (RSPO) and are working with suppliers, NGO's and other brands to continue to build responsible supply chains.

Our palm oil programme focuses on the following areas:

#### *Engaging with suppliers*

Since 2014, we have focused on tracing the palm oil derivatives we procure back through the supply chain to ensure our responsible sourcing requirements are being met. We are a member of TFT – the international non-profit organisation that works to build responsible product supply chains. Through this partnership, we have undertaken a detailed review of our physical palm oil supply chain.

In 2016, we achieved traceability to mill for 87% of our palm derivative volumes outside of India (excluding surfactants). We have continued to work with all our key suppliers to ensure that outputs from the on the ground assessments have been incorporated into TFT's Aggregator Refinery Transformation (ART) plans.

We know that traceability in India is complex. For this reason, we have focused on gaining traceability back to port for these volumes. In 2016, we made steady progress achieving traceability to port for 54% of our India volume. We will continue to work with all our India suppliers to increase levels of traceability initially back to port and then to mill. In 2017, we aim to achieve traceability to port for 75% of our India supply. For our other suppliers, we will continue to support on the ground transformative activities in 2017; which include hands on support, training, specific workshops, following up on the close out of action plans and supporting TFT landscape programmes.

## Better environment *continued*

We recognise that we need to better understand the human rights risks linked to palm oil. For this reason in 2017, we will increase our human rights due diligence, which will include palm oil specific self-assessments, on the ground detailed assessments at mills and a deep dive at one Indonesian high priority mill which will allow us to understand the challenges faced and establishing “best practices” solutions to remediate these challenges. We will also explore opportunities to take a collaborative approach with our peers, NGOs and palm oil suppliers with the aim of targeting a specific challenges such as personal protective equipment.

### **Compliance monitoring**

We recognise the need to focus on monitoring compliance within our supply chain, and in line with this, in 2016, RB contributed to the new TFT Kumacaya pilot initiative which provides independent ‘monitoring and verification of company commitments to ‘No Exploitation and No Deforestation’ principles. In 2017, we will continue to fund this monitoring programme ensuring any issues identified are assessed and where required corrective actions plans are implemented.

### **Advocacy**

Since 2014, we have continued to focus on raising the awareness of palm oil traceability, we have completed this through hosting supplier traceability workshops in India and supporting academic research into smallholder farmer resilience, the outcomes of this have been fed into TFT’s small holder farmer programme.

In 2016, we supported further supplier engagement to discuss traceability at the Globoil Conference for vegetable oil, oilseeds and oleochemicals in India, alongside presenting at a zero deforestation conference on “how to effectively engage with suppliers”. In 2017, we will continue to raise the awareness of responsible palm oil sourcing within the industry.

### **Buying RSPO Certified Sustainable Palm Oil (CSPO)**

In 2014 and 2015, we purchased green palm certificates to cover all our palm oil volumes; however, as we have gained a greater understanding of the complexities and challenges faced within the palm oil supply chain, our focus is to take action in our direct supply chain. For this reason in 2016, we took the decision to move away from the purchase of green palm certificates to support TFT’s new small holder farmer programmes and so we only partially covered the palm oil volumes we procured in 2016 with green palm certificates.

### **Smallholder farmer programmes**

In 2016, we successfully initiated two palm oil smallholder farmer programmes (called Rurality). Our first rurality programme is based in Malaysia. In partnership with TFT, we are in the process of completing the Rural Dynamics Diagnostic (RDD) phase, this process takes six months and is an in-depth assessment of farmers’ technical, physical, social, and economic environment. The next phase is the Transformation Phase, in which the strategies and actions identified during the RDD are implemented. In 2017, we will continue to focus on the implementation of plans.

Our second rurality programme is based in Indonesia. In 2016, the TFT Rurality team in Indonesia conducted the scoping visit to select the project site. The mill management were engaged to understand the purpose of the Rurality program and were interested in collaborating in developing activities which are intended to support independent smallholders. We are in the process of completing the Rural Dynamics Diagnostic (RDD) phase.

### **Responsible latex sourcing**

We recognise that the latex supply chain comprises risks which not only include deforestation but also challenges smallholders face. To address this, RB mandates that all latex suppliers comply with our Natural raw materials policy. As part of this process, all of our Latex suppliers are part of our Human Rights and Responsible Business programme and since 2014 we have been working with our suppliers to trace the latex we use back through the supply chain.

Once we identified the sources of our latex and with the help of TFT, we have completed multiple on the ground assessments to ensure that the latex we use is compliant with our natural raw materials policy and therefore sourced responsibly. As part of our on-the-ground compliance assessments, we identified an opportunity to further help smallholder farmers within the supply chain and in 2016, we started a latex smallholder farmer project.

As part of this programme the team, who are on the ground in the plantations, are helping the farmers identify ways they can improve the quality of their latex, whilst helping them identify ways to build resilience against other external factors such as climate change, which we hope will improve their livelihoods in the long term. Since the inception of the programme we have engaged with over 120 smallholder farmers. We recognise that this is a journey and we need to continue to work with our suppliers and farmers to make sure the latex we use is sourced responsibly by complying with our policies.

### **Soy**

RB sources a very small amount of soy annually. Nevertheless, we understand that it is important for us to know where this soy originates from and that it does not contribute to deforestation or poor labour practices. Therefore, we requested all suppliers of soy, or products containing soy, to complete a compliance review. Through this process we established that all our raw soya originates from low-risk countries such as the USA.

### **Paper and board**

RB is committed to ensuring that our operations, suppliers, contractors and subcontractors are sourcing paper and board in accordance with RB’s Natural Raw Materials Policy. We complete annual due diligence of our paper and board supply chain and work with our suppliers and brands throughout the year to ensure we identify opportunities to:

- promote the efficient use of paper & board;
- use post-consumer recycled paper/board where possible and practical;
- use virgin materials from forests that are verifiably legal, responsibly managed and comply with our NRM policy. Endorsed national forest certification systems – such as those of the Forest Stewardship Council (FSC) and the Programme for the Endorsement of Forest Certification (PEFC) – can be used as a way to verify that a forest source is responsibly managed.



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Our performance  
and assurance

# Independent Limited Assurance Report to the Directors of Reckitt Benckiser plc

## Independent assurance on selected sustainability data

The Board of Directors of Reckitt Benckiser plc ('RB') engaged us to provide limited assurance on the information described below and set out in RB's Detailed Sustainability Report 2016 for the year ended 31 December 2016.

## Our conclusion

Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information for the year ended 31 December 2016 has not been prepared, in all material respects, in accordance with the Reporting Criteria. This conclusion is to be read in the context of what we say in the remainder of our report.

## Selected Information

The scope of our work was limited to assurance over the information marked with the symbol † in RB's Detailed Sustainability Report 2016 (the 'Selected Information').

The Selected Information and the Reporting Criteria against which it was assessed are summarised in the table opposite. Our assurance does not extend to information in respect of earlier periods or to any other information included in RB's Detailed Sustainability Report 2016.

## Selected Information

### Healthier Communities (Social Metrics)

People reached to improve their health and hygiene

### Better Design (Product Metrics)

Total net revenue from more sustainable products (Q4 2015-Q3 2016)

Total carbon footprint

Total water impact

### Environment, Health & Safety Metrics

Total GHG Scope 1 and 2 emissions from manufacturing, R&D, offices and warehouses

GHG emissions from energy use in manufacturing and warehouses

Total waste at manufacturing and warehouses

Hazardous waste at manufacturing and warehouses

Water discharges from manufacturing and warehouses

Energy use at manufacturing and warehouses

Water use at manufacturing and warehouses

Lost working day accident rate from manufacturing, warehouses and R&D facilities

Employee fatalities

### Diversity

Women employed – Board

Women employed – senior management

Women employed – global employees

## Reporting Criteria

Reporting Criteria and Basis of Preparation document

available at [www.rb.com/responsibility/policies-and-reports/](http://www.rb.com/responsibility/policies-and-reports/)

# Independent Limited Assurance Report to the Directors of Reckitt Benckiser plc continued

## Professional standards applied and level of assurance

We performed a limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' and, in respect of the greenhouse gas emissions, in accordance with International Standard on Assurance Engagements 3410 'Assurance engagements on greenhouse gas statements', issued by the International Auditing and Assurance Standards Board. A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks.

## Our Independence and Quality Control

We applied the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. We apply International Standard on Quality Control (UK & Ireland) 1 and accordingly 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 work was carried out by an independent team with experience in sustainability reporting and assurance.

## Understanding reporting and measurement methodologies

The Selected Information needs to be read and understood together with the Reporting Criteria, which RB is solely responsible for selecting and applying. The absence of a significant body of established practice on which to draw to evaluate and measure non-financial information allows for different, but acceptable, measurement techniques and can affect comparability between entities and over time. The Reporting Criteria used for the reporting of the Selected Information are as at 31 December 2016.

## Work done

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information. In doing so, we:

- made enquiries of RB's management, including the Corporate Responsibility (CR) team and those with responsibility for CR management and group CR reporting;
- evaluated the design of the key structures, systems, processes and controls for managing, recording and reporting the Selected Information. This included analysing corporate head office and site based data, selected on the basis of their inherent risk and materiality to the group, to understand the key processes and controls for reporting the performance data to the group CR team;
- performed limited substantive testing on a selective basis of the Selected Information at corporate head office and in relation to 14 sites to check that data had been appropriately measured, recorded, collated and reported;
- evaluated, on a selective basis, the key assumptions management have used to calculate the Better Design (Products Metrics) information; and
- considered the disclosure and presentation of the Selected Information.

## RB's responsibilities

The Directors of RB are responsible for:

- designing, implementing and maintaining internal controls over information relevant to the preparation of the Selected Information that is free from material misstatement, whether due to fraud or error;
- establishing objective Reporting Criteria for preparing the Selected Information;
- measuring and reporting the Selected Information based on the Reporting Criteria; and
- the content of the RB Detailed Sustainability Report 2016.

## Our responsibilities

We are responsible for:

- planning and performing the engagement to obtain limited assurance about whether the Selected Information is free from material misstatement, whether due to fraud or error;
- forming an independent conclusion, based on the procedures we have performed and the evidence we have obtained; and
- reporting our conclusion to the Directors of RB.

This report, including our conclusions, has been prepared solely for the Board of Directors of RB in accordance with the agreement between us, to assist the Directors in reporting RB's sustainability performance and activities. We permit this report to be disclosed in the the RB Detailed Sustainability Report 2016 for the year ended 31 December 2016, to assist the Directors in responding to their governance responsibilities by obtaining an independent assurance report in connection with the Selected Information. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Board of Directors and RB for our work or this report except where terms are expressly agreed between us in writing.

## PricewaterhouseCoopers LLP

Chartered Accountants  
London  
20 March 2017

# Global Reporting Initiative G4 content index

SR: Sustainability Report 2016

DSR: Detailed Sustainability Report 2016

AR: Annual Report and Financial Statements 2016

● Data assured by PwC, see pages 30–31.

● Selected data assured by PwC, see pages 30–31.

G4	General Standard Disclosure	Comment/Links	Assurance
<b>Strategy and analysis</b>			
G4-1	CEO statement.	SR: CEO's introduction, page 6.	
G4-2	Description of key impacts, risks and opportunities.	SR: Materiality and stakeholders, page 10. DSR: Materiality, pages 7–8. AR: Risk management framework, pages 46–53.	
<b>Organisational profile</b>			
G4-3	Name of reporting organisation.	SR: Front cover.	
G4-4	Primary brands, products and services.	SR: RB at a glance, page 3. SR: Driving (out) performance, page 7.	
G4-5	Location of the organisation's headquarters.	SR: Back cover.	
G4-6	Countries of operation.	SR: RB at a glance, page 3.	
G4-7	Nature of ownership and legal form.	AR: Shareholder Information, pages 174–175.	
G4-8	Markets served.	SR: RB at a glance, page 3.	
G4-9	Scale of the organisation, including employees, operations, revenues, total capitalisation and quantity of products and services.	SR: RB at a glance, page 3. SR: Driving (out) performance, page 7. DSR: Our people, page 13. AR: Highlights, page 1. AR: How our business works, pages 16–17.	
G4-10	Total number of employees broken down by employment contract, type, location and gender.	DSR: Our people, page 13.	
G4-11	Percentage of total employees covered by collective bargaining agreements.	DSR: Employment, page 13.	
G4-12	Description of the supply chain.	DSR: Our supply chain, page 16.	
G4-13	Significant changes during the reporting period regarding the organisation's size, structure, ownership or its supply chain.	AR: Organisation, page 24. AR: Acquiring a world leader in infant and children's nutrition, pages 10–11.	
G4-14	How the precautionary approach or principle is addressed by the organisation.	RB applies the precautionary approach through the consideration of sustainability matters, risks and opportunities. SR: Materiality and stakeholders, page 10. DSR: Materiality, pages 7–8. AR: Corporate Responsibility, Sustainability, Ethics and Compliance Committee Report, pages 74–75.	
G4-15	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organisation subscribes.	SR: Partnerships and recognition, page 27. DSR: External partnerships, page 9.	
G4-16	Memberships of associations maintained at an organisational level.	DSR: Industry sustainability programmes, page 9.	



## Global Reporting Initiative G4 content index continued

G4	General Standard Disclosure	Comment/Links	Assurance
<b>Identified material aspects and boundaries</b>			
G4-17	Entities included in the Annual Report and Financial Statements.	AR: Note 1 – Disposal of Subsidiaries, page 111. AR: Note 16 – Subsidiary Undertakings, pages 163–173.	
G4-18	Process for defining the report content and Aspect Boundaries.	SR: Materiality and stakeholders, page 10. DSR: Materiality, pages 7–8. Reporting Criteria and Basis of Preparation available at <a href="https://www.rb.com/responsibility/policies-and-reports/">https://www.rb.com/responsibility/policies-and-reports/</a>	
G4-19	Material Aspects identified in the process for defining reporting content.	SR: Materiality and stakeholders, page 10. DSR: Materiality, pages 7–8.	
G4-20	Aspect Boundary within the organisation	Reporting Criteria and Basis of Preparation available at <a href="https://www.rb.com/responsibility/policies-and-reports/">https://www.rb.com/responsibility/policies-and-reports/</a>	
G4-21	Aspect Boundary outside the organisation	Reporting Criteria and Basis of Preparation available at <a href="https://www.rb.com/responsibility/policies-and-reports/">https://www.rb.com/responsibility/policies-and-reports/</a>	
G4-22	Effect of any restatements of information provided in previous reports.	Reporting Criteria and Basis of Preparation available at <a href="https://www.rb.com/responsibility/policies-and-reports/">https://www.rb.com/responsibility/policies-and-reports/</a>	
G4-23	Report significant changes from previous reporting periods in the Scope and Aspect Boundaries.	Reporting Criteria and Basis of Preparation available at <a href="https://www.rb.com/responsibility/policies-and-reports/">https://www.rb.com/responsibility/policies-and-reports/</a> AR: Notes 26 and 27, pages 149–150.	
<b>Stakeholder Engagement</b>			
G4-24	List of stakeholder groups engaged by the organisation.	SR: Materiality and stakeholders, page 10. DSR: Materiality, pages 7–8.	
G4-25	Basis of identification and selection of stakeholders with whom to engage.	SR: Materiality and stakeholders, page 10. DSR: Materiality, pages 7–8.	
G4-26	Approach to stakeholder engagement.	SR: Materiality and stakeholders, page 10. DSR: Materiality, pages 7–8.	
G4-27	Key topics and concerns raised through stakeholder engagement.	SR: Materiality and stakeholders, page 10. DSR: Materiality, pages 7–8.	
<b>Report Profile</b>			
G4-28	Reporting period.	DSR: Approach to reporting, page 3.	
G4-29	Date of most recent previous report.	DSR: Approach to reporting, page 3.	
G4-30	Reporting cycle.	DSR: Approach to reporting, page 3.	
G4-31	Contact point for questions regarding this report.	SR: Back cover.	
G4-32	The 'in accordance' option the organisation has chosen, content index and assurance.	SR: About this report, page 3. SR: External assurance, page 26. DSR: Approach to reporting, page 3. DSR: Independent Limited Assurance Report to the Directors of RB, pages 30–31 DSR: Global reporting initiative G4 content index, pages 32–37.	
G4-33	Policy and current practice with regard to seeking external assurance for the report.	DSR: Approach to reporting, page 3.	

## Global Reporting Initiative G4 content index continued

G4	General Standard Disclosure	Comment/Links	Assurance
<b>Governance</b>			
G4-34	Governance structure of the organisation.	SR: Governance, page 9. DSR: Governance, page 10. AR: Corporate Governance Statement, pages 62–67. AR: Corporate Responsibility, Sustainability, Ethics and Compliance Committee Report, pages 74–75.	
G4-35	Process for delegating authority for economic, environmental and social topics from the highest governance body.	SR: Governance, page 9. DSR: Governance, page 10. AR: Corporate Governance Statement, pages 62–67. AR: Corporate Responsibility, Sustainability, Ethics and Compliance Committee Report, pages 74–75.	
G4-36	Executive level position or positions with responsibility for economic, environmental and social topics.	SR: Governance, page 9. DSR: Governance, page 10. AR: Corporate Governance Statement, pages 62–67. AR: Corporate Responsibility, Sustainability, Ethics and Compliance Committee Report, pages 74–75.	
G4-38	Composition of the highest governance body and its committees.	AR: Board of Directors, pages 54–56.	
G4-39	Whether the Chair of the highest governance body is also an executive officer.	AR: Board of Directors, page 54. AR: Corporate Governance Statement, page 63.	
G4-40	Nomination and selection processes for the highest governance body and its committees.	AR: Nomination Committee Report, page 68.	
G4-41	Processes for the highest governance body to ensure conflicts of interest are avoided and managed.	AR: Corporate Governance Statement, pages 64–65.	
G4-42	Highest governance body's and senior executives' roles in the development, approval, and updating of the organisations purpose, value or mission statements, etc.	SR: Governance, page 9. DSR: Governance, page 10. AR: Corporate Governance Statement, pages 62–67. AR: Corporate Responsibility, Sustainability, Ethics and Compliance Committee Report, pages 74–75.	
G4-43	Measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	SR: Governance, page 9. DSR: Governance, page 10. AR: Corporate Governance Statement, pages 62–67. AR: Corporate Responsibility, Sustainability, Ethics and Compliance Committee Report, pages 74–75.	
G4-45	Highest governance body's role in the identification and management of impacts, risks and opportunities.	SR: Governance, page 9. DSR: Governance, page 10. AR: Corporate Governance Statement, pages 62–67. AR: Corporate Responsibility, Sustainability, Ethics and Compliance Committee Report, pages 74–75.	
G4-46	Highest governance body's role in reviewing the effectiveness of the organisation's risk management processes for economic, environmental and social topics.	SR: Governance, page 9. DSR: Governance, page 10. AR: Corporate Governance Statement, pages 62–67. AR: Corporate Responsibility, Sustainability, Ethics and Compliance Committee Report, pages 74–75.	
G4-47	Frequency of the highest governance body's review of economic, environmental and social impacts, risks and opportunities.	SR: Governance, page 9. DSR: Governance, page 10. AR: Corporate Governance Statement, pages 62–67. AR: Corporate Responsibility, Sustainability, Ethics and Compliance Committee Report, pages 74–75.	

## Global Reporting Initiative G4 content index continued

G4	General Standard Disclosure	Comment/Links	Assurance	
G4-49	Process for communicating critical concerns to the highest governance body.	SR: Governance, page 9. DSR: Governance, page 10. AR: Corporate Governance Statement, pages 62–67. AR: Corporate Responsibility, Sustainability, Ethics and Compliance Committee Report, pages 74–75.		
G4-51	Remuneration policies for the highest governance body and senior executives.	AR: Directors' Remuneration Report, pages 76–80. AR: RB's Remuneration Policy at a glance, page 81. AR: Annual Report on Remuneration, pages 82–92.		
G4-52	Process for determining remuneration. Report whether remuneration consultants are involved in determining remuneration.	AR: Directors' Remuneration Report, pages 76–80. AR: RB's Remuneration Policy at a glance, page 81. AR: Annual Report on Remuneration, pages 82–92.		
G4-53	How stakeholders' views are sought and taken into account regarding remuneration, including the results of votes on remuneration policies and proposals.	AR: Directors' Remuneration Report, pages 76–80. AR: RB's Remuneration Policy at a glance, page 81. AR: Annual Report on Remuneration, pages 82–92.		
<b>Ethics and Integrity</b>				
G4-56	Organisation's values, principles, standards and norms of behaviour.	SRL: About this report, page 2. DSR: Business conduct, page 10.		
G4-57	Internal and external mechanisms for seeking advice on ethical and lawful behaviour.	DSR: Business conduct, page 10.		
G4-58	Internal and external mechanisms for reporting concerns about unethical or unlawful behaviour.	DSR: Business conduct, page 10.		
Material Aspects	DMA and Indicators	Indicator Detail	Comment/Link	External Assurance
<b>Category: Economic</b>				
Economic Performance	G4-EC1	Direct economic value generated and distributed.	DSR: Our economic contribution, page 5.	
<b>Category: Environmental</b>				
Energy	G4-EN3	Energy consumption within the organisation.	DSR: Energy use, page 23.	●
	G4-EN5	Energy intensity.	DSR: Energy use, page 23.	●
	G4-EN6	Reduction of energy consumption.	DSR: Energy use, page 23.	●
Water	G4-EN8	Total water withdrawal by source.	DSR: Water use, page 24.	
	G4-EN9	Water sources significantly affected by withdrawal of water.	DSR: Water use, page 24.	
	G4-EN10	Percentage and total volume of water recycled and reused.	DSR: Water use, page 24.	
Emissions	G4-EN15	Direct greenhouse gas (GHG) emissions (scope 1).	DSR: Greenhouse gas emissions, page 23.	●
	G4-EN16	Energy indirect GHG emissions (scope 2).	DSR: Greenhouse gas emissions, page 23.	●
	G4-EN17	Other indirect GHG emissions (scope 3).	DSR: Greenhouse gas emissions, page 23.	●
	G4-EN18	GHG emissions intensity.	DSR: Greenhouse gas emissions, page 23.	●
	G4-EN19	Reduction of GHG emissions.	DSR: Greenhouse gas emissions, page 23.	●
	G4-EN20	Emissions of ozone-depleting substances (ODS).	DSR: Other emissions, page 23.	
	G4-EN21	NO <sub>x</sub> , SO <sub>x</sub> , and other significant air emissions.	DSR: Other emissions, page 23.	

## Global Reporting Initiative G4 content index continued

Material Aspects	DMA and Indicators	Indicator Detail	Comment/Link	External Assurance
Effluents and Waste	G4-EN22	Total water discharge by quality and destination.	DSR: Water discharges, page 24.	●
	G4-EN23	Total weight of waste by type and disposal method.	DSR: Waste management, page 25.	●
	G4-EN24	Total number and volume of significant spills.	DSR: Environmental and occupational safety prosecutions and fines, page 26.	
	G4-EN25	Weight of weight deemed hazardous.	DSR: Waste management, page 25.	
	G4-EN27	Extent of impact mitigation of environmental impacts of products.	DSR: Total carbon and water use footprints, page 22.	●
Products and Services	G4-EN27	Extent of impact mitigation of environmental impacts of products.	DSR: Total carbon and water use footprints, page 22.	●
Compliance	G4-EN29	Monetary value of significant fines.	DSR: Environmental and occupational safety prosecutions and fines, page 26.	
Transport	G4-EN30	Significant environmental impacts of transporting products.	DSR: Transportation and logistics, page 25. Total carbon and water use footprints, page 22.	
	G4-EN32	Percentage of new suppliers screened using environmental criteria.	DSR: Our approach to managing human rights and responsible business, page 16.	
Supplier Environmental Assessment	G4-EN32	Percentage of new suppliers screened using environmental criteria.	DSR: Our approach to managing human rights and responsible business, page 16.	
	G4-EN33	Significant negative environmental impacts in the supply chain.	SR: Responsible sourcing of natural raw materials, pages 27–28.	
<b>Category: Social</b>				
<b>Sub Category: Labour Practices and Decent Work</b>				
Employment	G4-LA1	Total number and rates of new employee hire and employee turnover age by group, gender and region.	DSR: Employee hires and turnover, page 14.	
Labour/Management Relations	G4-LA4	Minimum notice periods regarding operational changes.	DSR: Employment, page 13.	
Occupational Health & Safety	G4-LA6	Type of injury and rates of injury, lost days, work-related fatalities, etc.	SR: Health and safety, page 13. DSR: Health & Safety, page 15.	●
Training and Education	G4-LA11	Percentage of employees receiving regular performance and career development reviews.	DSR: Training and education, page 13.	
Diversity and Equal Opportunity	G4-LA12	Composition of governance bodies and breakdown of employees per employee category according to gender, age group, etc.	DSR: A diverse culture, page 14.	●
Supplier Assessment for Labour Practices	G4-LA14	Percentage of new suppliers that were screened using labour practices criteria.	DSR: Our approach to managing human rights and responsible business, page 16.	
	G4-LA15	Significant actual and potential negative impacts for labour practices in the supply chain and actions taken.	DSR: Our approach to managing human rights and responsible business, page 16.	
<b>Sub Category: Human Rights</b>				
Investment	G4-HR1	Total number and percentage of significant investment agreements and contracts that including human rights screening.	DSR: Human Rights, page 11.	
	G4-HR2	Total hours of employee training on human rights policies or procedures concerning aspects of human rights.	DSR: Code of Business Conduct, page 9. DSR: Capability Building, page 15.	
Non-discrimination	G4-HR3	Total number of incidents of discrimination and corrective actions taken.	DSR: Our approach to managing human rights and responsible business, page 16.	
Freedom of Association and Collective Bargaining	G4-HR4	Operations and suppliers identified in which the right to exercise freedom of association and collective bargaining may be violated.	DSR: Our approach to managing human rights and responsible business, page 16.	

## Global Reporting Initiative G4 content index continued

Material Aspects	DMA and Indicators	Indicator Detail	Comment/Link	External Assurance
Child Labour	G4-HR5	Operations and suppliers identified as having significant risk for incidents of child labour.	DSR: Our approach to managing human rights and responsible business, page 16.	
Forced or Compulsory Labour	G4-HR6	Operations and suppliers identified as having significant risk for incidents of forced or compulsory labour.	DSR: Our approach to managing human rights and responsible business, page 16.	
Assessment	G4-HR9	Total number and percentage of operations that have been subject to human rights reviews or impact assessments.	DSR: Our approach to managing human rights and responsible business, page 16.	
Supplier Human Rights Assessment	G4-HR10	Percentage of new suppliers that were screened using human rights criteria.	DSR: Our approach to managing human rights and responsible business, page 16.	
	G4-HR11	Significant actual and potential negative human rights impacts in the supply chain and actions taken.	DSR: Our approach to managing human rights and responsible business, page 16.	
Human Rights Grievance Mechanisms	G4-HR12	Number of grievances about human rights impacts filed, addressed and resolved through formal grievance mechanisms.	DSR: Grievance process, page 11.	
<b>Sub Category: Society</b>				
Anti-corruption	G4-S03	Total number and percentage of operations assessed for risks related to corruption and the significant risks identified.	DSR: Business conduct, page 10. AR: Risk management framework, page 51	
	G4-S04	Communication and training on anti-corruption policies and procedures.	DSR: Business conduct, page 10.	
	G4-S05	Confirmed incidents of corruption and actions taken.	DSR: Business conduct, page 10. AR: Risk management framework, page 51.	
Public Policy	G4-S06	Total value of political contributions by country and recipient/beneficiary.	AR: Political donations, page 95.	
Anti-competitive behaviour	G4-S07	Total number of legal actions for anti-competitive behaviour, anti-trust, and monopoly practices and their outcomes.	DSR: Business conduct, page 10. AR: Note 17 Provisions for Liabilities and Charges, page 136. AR: Note 19 Contingent Liabilities and Assets, pages 137–138.	
<b>Sub Category: Product Responsibility</b>				
Customer Health & Safety	G4-PR1	Percentage of significant product and service categories for which health & safety impacts are assessed for improvement.	SR: Product stewardship, page 17. DSR: Consumer safety, Restricted Substances List and Ingredients removed from global product formulas, pages 18-19.	
Product and Service Labelling	G4-PR5	Results of surveys measuring customer satisfaction.	DSR: Product Quality and consumer satisfaction, page 18.	



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