

ENABLING A FAIRER SOCIETY ACROSS OUR VALUE CHAIN

Modern Slavery and Human
Trafficking Statement 2023



Reckitt Benckiser Group plc and other relevant Group companies* (Reckitt) slavery and human trafficking statement for the 2023 financial year, as required by section 54(1) of the Modern Slavery Act 2015, the California Transparency in Supply Chains Act of 2010, Canada's Bill S-211, An Act to enact the Fighting Against Forced Labour and Child Labour in Supply Chains Act and to amend the Customs Tariff and the Australian Modern Slavery Act 2018 (Cth) in consultation with RB (Hygiene Home) Australia & Reckitt Benckiser (Australia).

* This statement covers all subsidiaries of Reckitt Benckiser Group plc, a full list of which is available in Reckitt's Annual Report and Financial Statements 2023, including RB (Hygiene Home) Australia Pty Ltd (ABN 58 629 549 506) and Reckitt Benckiser (Australia) Pty Ltd (ABN 17 003 274 655).



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Image credit: Earthworm Foundation (EF)



Reckitt And Our Global Value Chain

2023 –
CONTINUING
PROGRESS



Our Purpose is at the heart of our business strategy. With more sustainable brands, we aim to help people live cleaner, healthier lives while enabling a healthier planet and a fairer society.

Throughout our value chain and steered by our Compass, Reckitt is committed to respecting and upholding the human rights of everybody touched by our business. This includes our employees, supply chain, communities we operate in and people using our brands.

The 2023 Global Slavery Index highlights almost 50 million people living in a state of modern slavery. These are often the most vulnerable members of communities: women, children and migrants. The impacts of climate change are adding to these risks. More people are being displaced, leading to greater likelihood of forced labour. Within our global value chain, we recognise our responsibility to eradicate modern slavery. That challenge is truly global and no one organisation can tackle it alone. That's why we welcome both the evolving regulatory landscape for human rights, and opportunities to work with like-minded organisations to prevent modern slavery.

Our collaborative approach, with peers and across sectors, enables collective action and greater impact. As members of AIM-Progress, we are working collectively to end forced labour. This has led to strengthened employment practices for migrant workers within supply networks in the Gulf states and Malaysia. We also worked together with Oxfam Business Advisory to help suppliers through an improved grievance mechanism toolkit.

Modern slavery is absolutely contrary to who we are, to our Purpose and to the Compass that guides us. We continue to strengthen our policies and practices to prevent and tackle it. We have continued to strengthen labour standards and human rights in our global value chain, embedding human rights into the activities of our procurement and supply functions. For our wider business, we have updated our human rights e-learning, which is part of our business-wide Code of Conduct and applicable to all our teams.

We recognise that there is no easy solution. By strengthening visibility of global supply networks, developing new innovative tools, applying technology and joining forces with others, we aim to drive change at scale. We will continue to share details of our work, our progress and the challenges we face, learning from them as we strive to enable a fairer, more inclusive society.

Kris Licht
CEO
May 2024

This statement was approved by the Board of Directors of Reckitt Benckiser Group plc on 2 May 2024.

Reckitt And Our Global Value Chain Continued

Reckitt¹ is a FTSE 100, global consumer health, hygiene and nutrition group headquartered in the UK. Reckitt exists to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world through the power of our brands.

Across the categories we operate in, our brands are recognised and trusted by consumers. Every day, millions of Reckitt products are used in people's homes. Each brand has a specific fight, aligned with one of the UN Sustainable Development Goals, which helps to identify unmet opportunities. We believe that access to the highest-quality hygiene, wellness and nourishment is a right, not a privilege.

We are a diverse global team of around 40,000 colleagues. We draw on our collective energy to meet our ambitions of purpose-led brands, a healthier planet and a fairer society. We operate in over 60 countries, with 49 of our own sites, which are supported by a global supply network.

▶ For further information and our organisational structure, please see our Annual Report at <http://www.reckitt.com/investors/latest-annual-report>

1 Reckitt is the trading name of the Reckitt Benckiser group of companies.

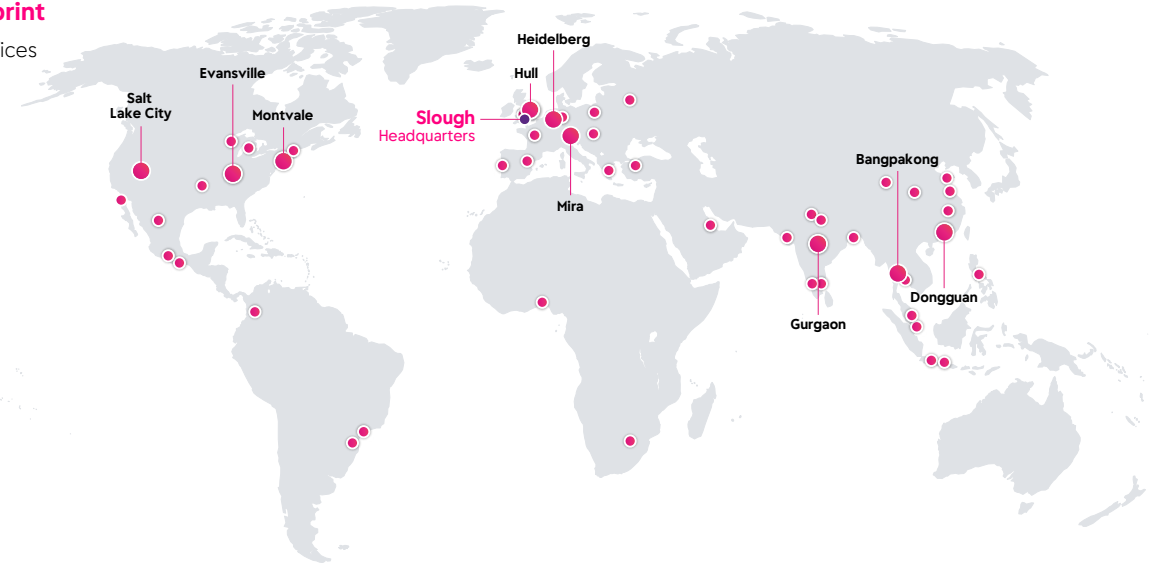
Our Leadership Behaviours

To deliver on our ambitions around Purpose and our business strategy, our culture enables our people to have the Freedom to Succeed and operate at their best. Our culture is embedded in our Leadership Behaviours. These behaviours set out our expectations for how every one of us at Reckitt behaves. They are deeply embedded inside our company and are the basis for how we evaluate our leaders going forward in line with our desired culture. Reckitt leaders Own, Create, Deliver and Care.



Our Global Footprint

Reckitt factories, offices and R&D centres



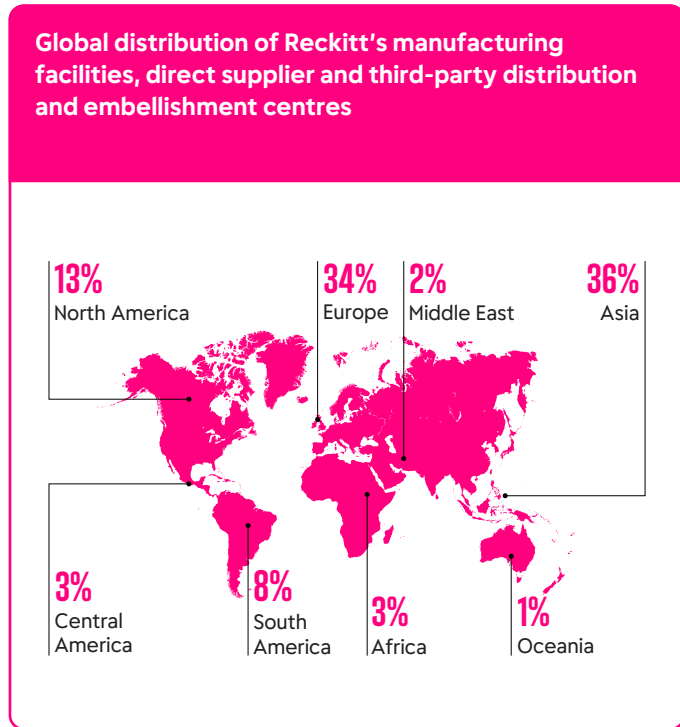
60
Countries across six continents

9
Centres of excellence

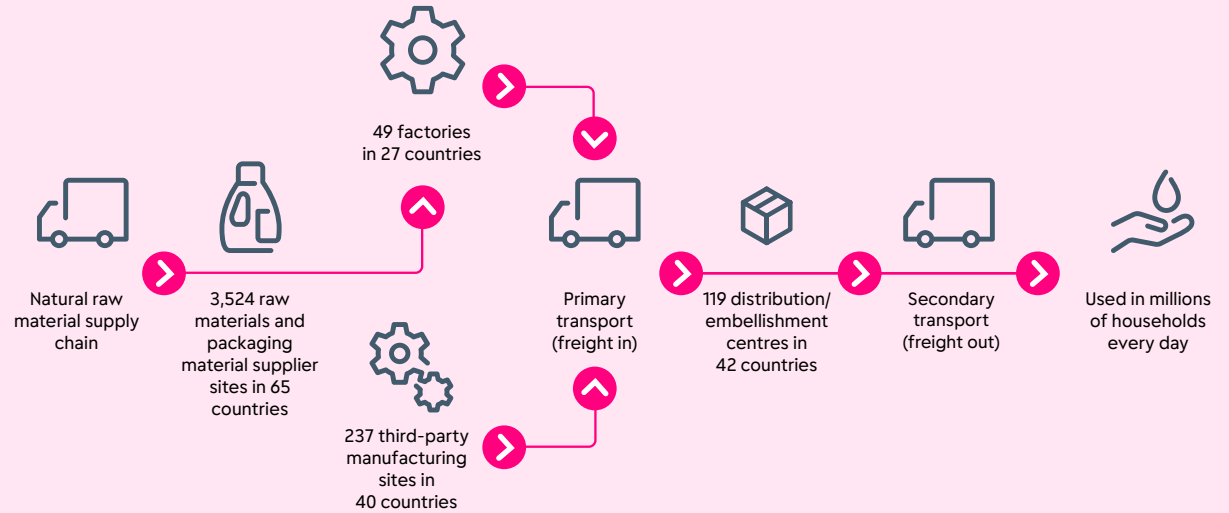
Reckitt And Our Global Value Chain Continued

OUR GLOBAL SUPPLY NETWORK

We have a truly global supply network comprising 49 Reckitt production facilities and 237 third-party manufacturer sites (co-packers) that support our global business. For our operations, we source a range of packaging and raw materials – from product packaging and household product chemicals, to pharmaceutical ingredients and agricultural commodities such as milk, palm oil and latex. These come from 3,524 supplier manufacturing sites and thousands of farming operations around the world. Our products are distributed through a global network of 119 distribution and embellishment centres to retailers around the world.



Our product supply chain



Reckitt's supply chain is complex. We purchase from over 3,000 raw materials and packaging suppliers in 70 countries. These are manufactured into our well-known brands and used in millions of households every day. We have approximately 35,000 indirect suppliers providing us with financial and legal, contractor, consultancy, facilities and maintenance, technology, marketing, sales support and logistics services, with a spend of around £5 billion.

Some of our suppliers are large multinational companies with substantial business and ethical conduct programmes of their own. Others are smaller, local companies, in both established and emerging economies. The latter may not have the same degree of environmental and social programmes in place, but they can still be excellent suppliers with reasonable controls.

Our suppliers are chosen based on quality, cost, location and compliance with our policies and standards. This always includes our [Third Party Code of Conduct](#) and [Sourcing for Sustainable Growth Policy and supporting standards](#).

In addition to our traditional direct and indirect suppliers, all significant and relevant investment activity, including acquisitions if appropriate, undergo thorough due diligence, which includes human rights.

▶ See our Annual Report at <http://www.reckitt.com/investors/latest-annual-report>

Human Rights And Modern Slavery Risk Within Our Value Chain



At Reckitt we understand the impact our organisation has for people and the planet. We work to create a more positive impact, building opportunities for our business and for the communities we are part of. We are committed to respecting human rights and creating a fairer, more inclusive value chain, as part of a cleaner, healthier world"

Fabrice Beaulieu
Chief Marketing, Sustainability
and Corporate Affairs Officer

Modern slavery is complex and multi-faceted. It takes many forms including slavery, human trafficking, servitude, and forced and compulsory labour. It is also constantly evolving, is often hidden and, as a result, can be hard to identify.

Guided by our Purpose and Compass, we take seriously our responsibility to ensure human rights are respected across our global value chain. We are committed to identifying, avoiding and addressing any negative impacts on human rights, including modern slavery. If we are directly linked to adverse human rights impacts, we will use our position to enable remedy in line with the United Nations Guiding Principles on Business and Human Rights (UNGPs).

Understanding our salient issues has been pivotal to our approach and prioritisation of human rights. In an ever-changing social, economic and political landscape, we continue to review our salient issues, focussing on the most critical and considering any new or emerging issues or trends.

This dynamic approach recognises potential risks and emerging situations. We endeavour to keep up to date with publicly available research from external sources. We collaborate with NGOs and peer companies to better understand risks and ways to address them. The importance of this approach continues to grow as the impacts of climate change, conflict and economic migration affect and displace millions of people around the world.

Our salient human rights issues

In partnership with the [Danish Institute for Human Rights](#), and in consultation with other key stakeholders including NGOs, customers, investors and peers, in 2020 we identified the salient human rights issues on which to develop our strategy and focus our activity. This assessment took into consideration a range of resources, including internal supply chain audit data, external resources and risk assessments, as well as key risks across our value chain and the rights holders, commodities and countries most likely affected. We identified the following salient human rights issues:



Working hours



Fair wages



Health, safety and environment



Freedom from forced labour



Freedom of association and right to collective bargaining



Gender, diversity and inclusion



Effective grievance mechanisms



Access to water and sanitation



Access to health, hygiene and nutritional products



Sexual health and rights



Marketing practices



Product safety



Data privacy

Human Rights And Modern Slavery Risk Within Our Value Chain Continued

Modern slavery is a complex issue and often hidden. This makes it hard to identify. The most vulnerable groups are generally more susceptible to becoming victims of modern slavery. Many of the issues that contribute to modern slavery are constantly evolving, which is why we continue to develop our approach. In 2023, we focused on a wider roll-out of the [diginexLUMEN](#) tool, given the success in indicating risks of modern slavery in our 2022 pilot.

We are currently focusing on supply networks in Malaysia and the Middle East where migrant workers are employed in low-skilled jobs within manufacturing, agricultural, logistics, construction, security and hospitality sectors. This creates a systemic challenge, not just one for us and our supply network. Many migrants in these areas can face exploitative employment practices that are considered forms of forced labour. It is not uncommon to see practices such as passport retention, excessive recruitment fees that create debt bondage, inability to resign from employment prior to a set date, contract substitution, excessive working hours, low wages and poor accommodation. As a result, we have looked to roll out the [diginexLUMEN](#) tool further within these high-risk regions. While the risk is greatest where there is weak state-level governance, the issue is global, and similar aspects of modern slavery have been seen in many developed markets.

We work with many stakeholders in our supply network, including: third-party manufacturers, distribution and embellishment centres, promotional goods suppliers, contract labour providers, transport and logistics suppliers, and raw and packaging material suppliers. We prioritise activity by risk and our approach is outlined later in this statement. This has led us to prioritise 546 sites across the high- and medium-risk locations of North and South Asia, the Middle East, Africa and Latin America.

Primary producers of natural raw materials, including plantations and smallholder communities can also be areas of significant risk. This led us to work on specific supply networks for palm oil, latex, dairy, cocoa, carnauba wax and fragrances. Our activity is described later in this statement.

CASE STUDY

Human rights due diligence

Human rights due diligence (HRDD) enables businesses to proactively manage potential and actual adverse human rights impacts which are or could be in their value chain. This has become more important given our aim to increase visibility within our supply chain and emerging legislation.

Our HRDD approach involves five main components:

- 1) **Identify and assess actual and potential adverse human rights impacts**
- 2) **Put in place HRDD procedures in our own operations and value chain**
- 3) **Track the effectiveness of measures and processes to address adverse human rights impacts, engaging with affected stakeholders**
- 4) **Communicate how impacts have been addressed to share learnings and strengthen collaborative efforts**
- 5) **Integrate findings from programmes into ongoing risk assessments**

We recognise the challenges of identifying and addressing adverse human rights, especially as such issues are systemic in certain parts of the world. We therefore welcome collective approaches, and collaborations with other businesses adhering to the same standards.

CASE STUDY

Climate change and Modern Slavery

We are increasingly aware of the link between climate change and modern slavery. The negative effects of climate change have and will continue to force millions of people to leave their homes and move elsewhere, with more agricultural land becoming unusable. Research by Anti-Slavery International and the International Institute for Environment and Development (IIED) demonstrates that "climate change acts as a stress multiplier to factors driving modern slavery".

People moving are increasingly vulnerable to exploitation. They face challenges to their livelihoods and are more likely to be coerced into industries where there is a high risk of modern slavery or tricked into taking risky opportunities for survival.

We have been tracking labour migration movement and have set up programmes in high-risk regions where we believe this is and will continue to be more prevalent, such as South-East Asia and the Gulf states.

We are also committed to playing our part in tackling the climate crisis. Further details on this can be found in our [Climate Insight](#).



Our Policies And Training

At Reckitt, we believe that human rights, and specifically freedom from slavery and human trafficking, are an absolute and universal requirement. Our policy framework supports this approach.

Code of Conduct

Our Code of Conduct outlines the principles and ethical values that Reckitt requires all employees and contractors to uphold. The Code covers key issues including corruption and bribery, discrimination, confidentiality, conflicts of interest, anti-trust, money-laundering, environment, health and safety and the confidential Speak Up! whistleblowing service. It outlines our commitment to respecting human rights, specifically those rights expressed in the International Bill of Human Rights (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) and the International Labour Organization's (ILO) Declaration on Fundamental Principles and Rights at Work.

See our Code of Conduct

at <https://reckitt.com/media/ljecyr4b/english-reckitt-code-of-conduct-1-0-final-07-november-23-002.pdf>

Embedding Sustainability into the Business:

As we embed sustainability into our business, from 2022 our Human Rights Policy commitment is integrated into Reckitt's Code of Conduct. This reflects the evolution and further integration of human rights into core business practices and policies.

Sourcing for Sustainable Growth policy and supporting standards

In 2021, we reviewed and combined our policies and standards on human rights and responsible sourcing of natural raw materials into our [Sourcing for Sustainable Growth Policy](#). This is backed by technical standards covering Labour and Human Rights, Workplace Health and Safety, Environmental Protection and Natural Raw Materials Sourcing. This aligns with the highest standards in our industry and captures the scope of our current supply chain sustainability activities.

Our policy and standards were developed using internal and external expertise provided by the Danish Institute for Human Rights, Earthworm Foundation and others. They reflect the UN Guiding Principle on Business and Human Rights, legislative requirements such as the Modern Slavery Act and industry best practice.

Our policy and standards are applicable to all business partners providing goods and services to or on behalf of Reckitt. This includes third-party manufacturers, raw and packaging material suppliers, service providers, vendors, traders, agents, contractors, joint venture partners and distributors, including their employees' agents and other representatives.

Our six responsible sourcing principles involve:

- 1) [Ensuring labour and universal human rights are respected](#)
- 2) [Providing a safe and healthy working environment](#)
- 3) [Sourcing natural raw material responsibly](#)
- 4) [Protecting the environment and reducing environment impact](#)
- 5) [Using ever safer and more sustainable ingredients](#)
- 6) [Conducting business with integrity](#)

OUR LABOUR AND HUMAN RIGHTS STANDARD DEFINES CORE STANDARDS:



Workers are of a suitable age to work



All work is conducted voluntarily



Recruitment is conducted responsibly



All workers are treated equally with dignity and respect



All workers have the right to freedom of association



All workers have reasonable working hours and sufficient rest days



All workers receive a fair wage



Fair conditions for workers in temporary employment



All workers have access to fair remedy



Respecting land rights



Community impacts



Worker and community safety and security

Our Policies And Training Continued

At the start of any commercial relationship, we communicate our requirements to suppliers and integrate the need to comply within the commercial contract. We also include sustainability in the new supplier qualification process. This includes assessing forced labour and modern slavery risks prior to signing the contract. Additionally, business partners are required to communicate these requirements to their suppliers, monitoring and strengthening compliance as far as is practical. In 2023, we also further embedded sustainability into the supplier balanced scorecard to provide procurement teams with visibility of the performance of suppliers such as those for Natural Raw Materials. For palm oil, this approach complements a more detailed scorecard for palm oil suppliers, which captures their compliance with our policies, and how well they are managing risks such as land rights grievances. This performance monitoring enables us to leverage our commercial influence to ensure suppliers are mitigating our shared supply chain risks.

TRAINING

We work to make access to the highest-quality hygiene, wellness and nourishment a right, not a privilege. Human rights and policies alone are not sufficient to embed this in an organisation. That's why we engage and train our teams at Reckitt to ensure that they are not only aware of our values and policy requirements, but also have a basic understanding of how to prevent, identify and act on issues.

- **Code of Conduct**

Every year, all employees and contractors must take our mandatory compliance training to better understand our Code of Conduct and important corporate policies. This training is composed of eight modules:

- 1) Introduction to our Code of Conduct
- 2) Competition Law
- 3) Anti-Bribery and Corruption
- 4) Data Privacy
- 5) Cyber Security
- 6) Safety of Product
- 7) Human Rights
- 8) Sanctions

In 2023, all employees were once again assigned mandatory annual compliance training and business leaders, ethics and compliance professionals and line managers took steps to drive uptake of the training.

- **Human rights training** – Since 2017, all management-level employees have had to take our eLearning programme on human rights. But, as the human rights agenda evolves, so does our understanding and activity. In 2021, we refreshed this training and broadened it to cover all employees and contractors as part of our annual compliance passport training. This helps them better understand human rights and the role of business in respecting them. In 2023 we again refreshed the Human Rights e-learning module to make it more interactive and impactful. The training addresses our salient human rights issues and what we're doing to make sure people's rights are respected across our value chain. The training includes tools, knowledge and advice to recognise and report breaches of human rights. In 2023, 99% of the employees in scope have completed the training module.
- We continued with our quarterly briefing seminars for relevant employees, whose day-to-day activity brings them closest to adverse human issues in our value chain. Teams in procurement receive an update on our programme requirements, activities and challenges. These seminars are led by the Human Rights Team and build two-way communication, while supporting extra training and best practice sharing.
- We continued our training on site standards through an aide-memoire for our Quality auditors to help them better identify and report on breaches of our Human Rights Policy when assessing sites. We also trained the Procurement Teams for their supplier site visits together with a reporting procedure if any issues are identified.
- We ran a Human Rights and Supplier Environmental Workshop for the Procurement and Logistics team in India and will be looking to replicate this in other regions in 2024.

These channels of communication and enhanced training build greater awareness of our human rights policies and risks for our teams everywhere. In building this awareness, we aim to strengthen identification and remediation of modern slavery risks within our value chain.



Our Policies And Training Continued

Speak Up! Service

When we speak up for a responsible business, everyone benefits.

Following the highest standards of ethical and responsible behaviour is fundamental to how we do business. We are committed to maintaining the culture and processes that help our people to do the right thing, always, and to behave in the right way.

We know it can be hard for some to speak up when they see, or reasonably suspect, conduct that is contrary to our Code of Conduct, our corporate policies, and the laws and regulations that govern our operations – this includes breaches of Reckitt's Sourcing for Sustainable Growth Policy and supporting standards, which cover issues related to slavery and human trafficking. In 2023, we rewrote our Speak Up Policy with simplicity in mind and we continued to raise awareness of this policy and Reckitt's commitment to doing the right thing, always, through a global "Speak Up!" campaign. We encourage our employees, contractors and other third parties to raise their concerns of misconduct with confidence.

See our Ethical Behaviour Insight

for more information on our Speak Up! line, the type of reports received relating to human rights and our respective actions taken

We also incorporated the must-know information about raising concerns into our new Code of Conduct training, which was introduced alongside our mandatory Annual Compliance Training – this training covers important topics such as anti-bribery and corruption, competition law, data privacy, cyber security and product safety.

As of mid April 2024, 99% of the employees (and contractors in scope) have completed this training.* Separately, we have introduced role-specific training on interactions with healthcare professionals and entities.

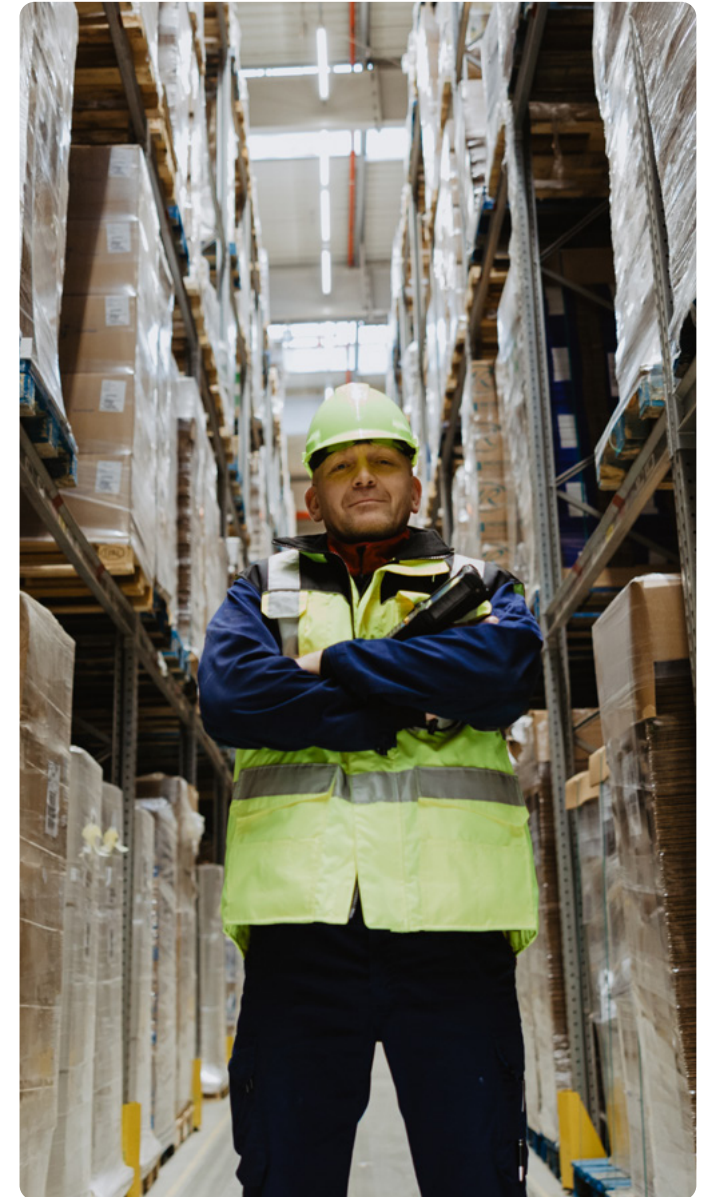
The Speak Up! Service – our confidential reporting platform accessible online and by telephone hotline – is one way to raise concerns and offers everyone a trusted channel to raise their concerns in good faith. All concerns reported through this channel are taken seriously, investigated where it is warranted, and corrective action is taken where appropriate. Key metrics and matters arising from Speak Up investigations are reported to leadership and to the Corporate Responsibility, Sustainability, Ethics and Compliance Board Committee (CRSECC) who provide oversight of the Company's implementation of the Speak Up Policy as part of the broader Ethics & Compliance programme.

In 2023, 641 concerns were raised through our Speak Up! Service, with 446 cases meriting investigation. We initially earmarked 91 concerns that could involve breaches of our Human Rights Policy. As of 15 March 2024, we have closed 76 of these cases after completion of internal investigations, with 48 cases partially or fully substantiated. Of the 48 cases:

- 41 cases related to discrimination and harassment, including sexual, moral or verbal harassment, favouritism, or gender and race discrimination;
- 3 cases related to working hours, pay and pay disputes; and
- 4 cases related to health and safety (mostly working conditions)

Action taken ranged from training and changes to policies or procedures, to disciplinary action up to and including dismissal. The remaining 15 cases are still under investigation.

* New joiners are required to complete the training during onboarding.



Governance



Our governance framework remains broadly unchanged in 2023, with effective forums across the Business responsible for overseeing progress and ensuring sustainability considerations are embedded into our decision making.

We believe that high standards of corporate governance, combined with a rigorous, open approach to reporting, are central to running our business with integrity and to maintaining the trust of our stakeholders. Details of our corporate governance approach are provided in our Annual Report and these address our activity on human rights and sustainability at Board and Operational leadership levels.

▶ See our Annual Report
at <http://www.reckitt.com/investors/latest-annual-report>

Respecting Human Rights Across Our Value Chain

Businesses play a crucial role in ensuring they and their suppliers operate in a way that respects human rights and the natural environment, and contributes to sustainable development.

Policies are critical to addressing risks to human rights and the environment, but they are only the foundation. To reinforce our policies and standards, we have a range of tools to enable us to proactively identify, avoid and address negative impacts on human rights, including modern slavery, and the environment across our value chain. We have three distinct but interrelated streams of activity to drive respect for human rights across our value chain and enable a more sustainable supply chain:

1) Human Rights programme

In line with the United Nations Guiding Principles (UNGPs), we focus activity on understanding the broad range of human rights impacts across our value chain and are working both independently through our business and brands and in partnership with others. Our salient human rights issues help frame our programmes and prioritise activity through our Human Rights programme and associated activity supporting Responsible Workplaces and Sustainable Sourcing.

Our Human Rights programme considers our salient human rights issues in the context of local conditions. We are committed to understanding the range of human rights impacts across our value chain by conducting Human Rights Impact Assessments (HRIAs). We have risk assessed all our markets using a tool developed with the Danish Institute for Human Rights. This risk assessment considers a range of factors such as our supplier, operational and brand footprint, inherent human rights risk, proportion of net revenue generated and market growth rates. Through this, we have identified 10 priority markets in which we plan to conduct HRIAs by 2030. Each takes a number of months to consider the value chain in the country and engage local stakeholders on human rights issues.

We conducted our first HRIA in 2019, assessing our Durex and Enfa brand value chains in Thailand. This included, for example, reference to sustainable livelihoods for smallholder farmers in our latex supply chain, which led to our adoption of the Fair Rubber Standard and a premium payment to those farmers. More details of the programme can be found in our [Biodiversity Insight](#). The assessment also led us to work on sustainable livelihoods more broadly, for contractors in our value chain. This also continued our focus on migrant workers.

We completed our second HRIA in 2023, this was an assessment of our Brazilian operations and value chain. We plan on conducting at least one HRIA in 2024, which will be in a traditionally 'lower risk' market but one with some underlying human rights issues.

We engage with a range of local stakeholders for these assessments. This helps us to develop our policies, procedures and activities to tackle any negative impacts we identify. We report our findings and any action we take. We also look to promote specific human rights where our business and brands are well placed to drive positive impact. For example, our Durex brand promotes sexual health and rights.

Embedding sustainability into procurement practices

Our procurement teams lead our relationship with suppliers globally. How they engage suppliers to reinforce standards is an important part of each of the three areas of our work. To help assess which areas to prioritise for greatest impact, we worked with Ergon Associates to review our procurement practices. This helped better embed sustainability into our sourcing and wider procurement transformation strategy. We further integrated sustainability into supplier due diligence for raw and packaging material suppliers, added sustainability into the Procurement Vulnerability Tool and improved procurement awareness around sustainability. These recommendations support a more resilient supply chain able to withstand social and environmental challenges.

205
supplier audits completed in 2023

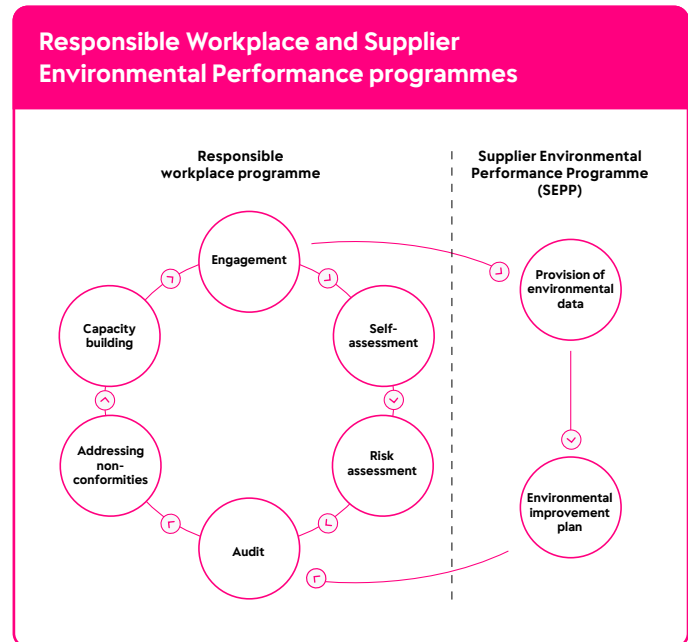
62%
pass rate of supplier audits conducted in 2023

97%
of supplier audits with the approved corrective action plan in place

2) Responsible Workplace programme

This programme is focused on all Reckitt manufacturing facilities and higher-risk tier 1 suppliers. It aims to ensure and progressively improve performance on good labour standards, health and safety and environmental standards. Our Responsible Workplace programme has been in place for a number of years and continues to evolve. The programme of audits, supplier development and training programmes has consistently led to progressive improvements in standards of suppliers.

With the supplier relationships and continuous improvement perspective that the Responsible Workplace programme has created, we also took the opportunity to add environmental performance improvement and create our Supplier Environmental Performance Programme. In 2023 we continued this programme in partnership with [Manufacture 2030 \(M2030\)](#), partnering with key suppliers on their energy, water and waste performance to help create visibility of and reduce their environmental footprint.



Respecting Human Rights Across Our Value Chain Continued

SUMMARY OF HUMAN RIGHTS AUDITS AND ASSESSMENTS IN 2023

- **Monitoring** – We monitored 546 individual sites (third-party manufacture, distribution and embellishment centres, and high-risk raw and packaging material suppliers) and 49 Reckitt sites
- **Self-assessment** – 100% of Reckitt facilities complete an annual self-assessment of compliance with our responsible workplace requirements on our reporting tool, Enablon. In 2023, we increased the percentage of suppliers with a completed self-assessment questionnaire (SAQ) from 53% in 2022 to 59%. During 2024, we will continue to engage with suppliers to increase the completion rate
- **Audits** – 205 supplier and 12 Reckitt site audits were conducted, with 1,560 non-conformities identified (54 in Reckitt sites and 1,506 in supplier audits)
- **Corrective actions** – 97% of suppliers and 100% of Reckitt sites audited have an approved corrective action plan in place, with 72% of Reckitt site non-conformities addressed
- **Improvement delivered** – The audit pass rate for sites with multiple audits increased from 45% in the first audit to 75% in the most recent one. This reflects continuous improvement of standards, supported by both audits and supplier development activities

3) Sustainable Sourcing Programme

Our sustainable sourcing approach for natural raw materials is captured within our Natural Raw Materials (NRM) Sourcing Standard. This outlines six guiding principles that underpin our approach, and our human rights commitment is captured in principle two "Safeguarding workers and communities". Our first principle, "Understanding the origins of materials" (traceability) is the starting point for identifying, assessing and addressing human rights risks in our upstream NRM supply chains.

We focus on key natural raw materials: palm oil, latex, dairy, timber and natural fragrances. Our approach to human rights is tailored to each NRM to ensure we focus on the most pressing and relevant issues.

Palm oil, for example, requires significant resource investment in traceability, No Deforestation Verification and grievance identification and monitoring. These workstreams help us to identify and address environmental and human rights risks, including land rights risks for communities. More information on our approach can be found on page 21.

Over 80% of our latex volume for Durex was Fair Rubber Certified in 2023. Through the certification process we are able to connect at farm level with producers in our supply chain, which enables us to identify risks relevant to their local context. Alongside this, in Thailand our NGO partner, Earthworm Foundation, continues to work closely with latex farmers and local and migrant worker tappers to improve their livelihoods.

For dairy, where we have less direct communication with farmers, an industry approach is required. We partner with the Sustainable Dairy Partnership and work collaboratively with our peers and suppliers to drive industry progress; an annex to our Sustainable Sourcing Standard, focused on dairy was published in 2022.

In 2023 we began work to assess risks associated with cocoa, soy, sugar and carnauba wax. We will further develop this in 2024.

We recognise the human rights challenges that exist in complex supply networks, including the limitations on what we are directly able to control and influence. As a result, our remediation approach focuses on stakeholder collaboration and transparency. We prefer to utilise our position to work with our supply chain to resolve issues rather than terminating business relationships. However, in instances where a supplier is not providing appropriate support to remedy issues, we will have no option other than to terminate our business relationship with them. In 2022, we terminated one supplier of security services due to failure to meet our policy requirements. In previous years we also excluded some palm oil origin plantations and mills which supply the companies from which we purchase palm oil and/or its derivatives, because we were dissatisfied with their approach to preventing deforestation. In most cases where issues are identified, we work with suppliers to remediate, in some cases absorbing some of the costs involved. Our preferred approach of remediation ensures issues are addressed and impacted workers obtain access to remedy, which otherwise might not be the case.

To lead these three programme areas, we have a dedicated Human Rights & Sustainable Supply Chain team. Our team is based in areas of highest risk, covering Asia, Africa and the Middle East. It is supplemented by additional resource provided by the expert group Intertek, which works with suppliers and Reckitt teams to support and manage our programmes globally.

Respecting Human Rights Across Our Value Chain Continued

In our highest-risk regions – ASEAN and South Asia, North Asia, Middle East and Africa – our own Regional Social and Human Rights Managers work with our own sites, and high-risk and strategic suppliers. This provides a collaborative approach to delivering sustained improvements which is coordinated globally. Our regional experts work closely with our Procurement, Supply Services, Manufacturing, Human Resources, Legal and Internal Audit teams to coordinate activity. Our programmes are reviewed regularly by our Senior Leadership Team who also steer our long-term strategy and targets.

We regularly engage appropriate internal colleagues through our monthly compliance reports and quarterly townhall briefings to provide updates on our programme requirements, activities and challenges. These include sharing best practice and success stories in a forum where additional engagement and training can be delivered. In 2023, we continued to work with the Procurement, Human Resources and Quality teams to embed human rights into their standard ways of working. We also continued to enhance our supply chain data reporting capabilities and the insights they create by improving our reporting tool. These reports help the local teams better understand and act on key human rights risks alongside supplier compliance and performance levels. In 2024, we will run refresher training for the Procurement teams to better navigate and use the reporting tool.

CASE STUDY

HUMAN RIGHTS IMPACT ASSESSMENT – BRAZIL

In 2023, we completed an assessment of our operations in Brazil, covering the value chains of our Olla condoms, SBP's Aerosol Pesticides, and Veja's Multipurpose Cleaners. It considered consumers, our employees, tier 1 suppliers and workers in the raw material supply chain. These assessments focus on understanding the broad range of human rights impacts affecting a given geography and part of our business. The findings acknowledged the positive impact we are having through our purpose-led brands.

The assessment also identified several potential human rights issues, related to systemic issues in Brazil. In response to the findings from the human rights impact assessment in Brazil, we concentrated on three primary areas, encompassing both risks and opportunities. To address these, we facilitated several workshops involving internal and external stakeholders to deliberate on the following priority topics:

Accessibility and affordability of intimate wellness products

We work to make access to high-quality health, wellness and nutrition a right, not a privilege. In doing so, we help people from lower income communities have access to sexual health and intimate wellness products, as well as information on sexual health. During 2023 we hosted two workshops that explored how we can increase access to these products in disadvantaged and lower income communities in terms of price point, distribution and availability. We also engaged with external stakeholders, including the United Nations sexual and reproductive health agency (UNFPA), to identify opportunities to increase access to information around intimate wellness, at schools and universities in Brazil.

Gender, diversity, equity and inclusion (DE&I)

Addressing DE&I is a challenge we and many companies are facing, with inequity systemic in many countries. We recognised that we could build on the work we have already done within Reckitt (see Our people) to help address this challenge in Brazil. We used the roundtable to showcase our leadership and our five-year DE&I strategy.

Carnauba wax

In Brazil, we procure carnauba wax in very small volumes, as an ingredient used in other countries. The human rights impact assessment indicated inherent human rights risks connected with carnauba wax production in Brazil. This links to harvesting of the raw material where temporary labour often face poor working and living conditions where the appropriate checks and balances are not in place.

With input from our Procurement, Sustainability, Legal and Brand teams and a peer company, we shared learnings to increase the visibility of human rights in this supply chain and strengthen the respect for them. We engaged our carnauba wax supplier and sourcing agent to improve their Human Rights Due Diligence and are exploring sourcing options such as certification to mitigate the risks.



To have the opportunity to gather a variety of leaders to discuss salient issues in the region was very insightful. Our business in Brazil has made significant progress when it comes to DE&I and I am glad we could share our progress and refine our next steps. We also look forward to exploring ways of making access to intimate wellness products simpler for all communities and improving labour standards within the carnauba wax supply chain, both of which face systemic challenges in the region."

Max Levy

Head of Responsible Supply Chain

Respecting Human Rights Across Our Value Chain Continued

RECKITT FACILITIES

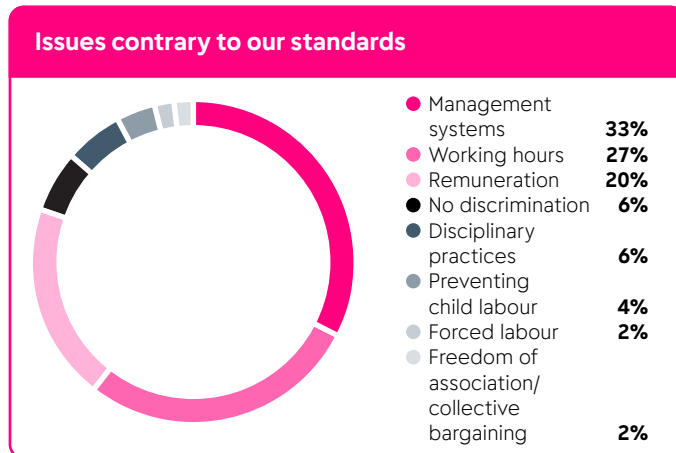
All our manufacturing facilities and distribution centres are included in our Responsible Workplace programme. All sites complete an annual compliance self-assessment. High-risk sites, based on location, undergo an announced audit at least every three years, or sooner if merited by the latest audit result. In 2023, we continued to expand our audits to consider key sites within Europe to better understand compliance within 'lower-risk' geographies. Similarly, in 2022, we audited one of our sites in the USA. Typically, such countries have long-standing labour standards policy frameworks which are consistently applied. The sites in the UK and Poland both passed the audit. We will audit more sites in other low-risk geographies, working alongside the existing regulatory policies and standards that apply there.

2023 saw audits of 12 of our factories in China, Nigeria, Bahrain, Pakistan, India, Singapore, South Africa, Poland, the UK and Mexico. These identified 54 issues contrary to our standards, which was an improvement on the previous year, with the average number of findings per audit once again decreasing. One site failed the audit (Nigeria). Immediate action was taken and those findings are being closed. A follow-up assessment will verify their completion and ongoing compliance. The issues raised primarily related to management systems, contract worker remuneration and working hours.

In many global supply chains, there is a risk of children working. **Our audits have not identified any cases of child labour.** Nonetheless, we continue to implement preventative measures. Our audits helped identify areas where policies could be further strengthened to build awareness amongst our teams and local contractors, and enable, if needed, local support to prevent and tackle the issue. One finding pertained to forced labour, but once again was policy related. This has since been closed by the site.

After each audit, the site develops a corrective and preventative action plan (CAPA), which is recorded in our management system. The CAPA is reviewed by the Human Rights & Sustainable Supply Chain team, with monthly reports on remediation compiled for global and regional management. 100% of the sites audited in 2023 had an approved CAPA in place, with 72% of the issues raised already satisfactorily resolved.

Others are underway as it can take some time to revise practices and systems, and to retrain employees to address such workplace issues. Sites with open non-compliances work to ensure these are closed within an agreed, realistic timeframe and have provided preliminary evidence of such activity. We will continue to work with these sites in 2024 to satisfactorily address the issues and continue to monitor our sites.



Over the last year, we've continued our hard work to implement Reckitt's Sustainable Livelihoods programme. This is a holistic approach to living wages for those in our facilities. The more secure people are with their livelihood, the less likely they are to fall victim to forced labour and exploitation."

Ranjay Radhakrishnan
Chief Human Resources Officer



Sustainable Livelihood Scorecard

Reckitt has been an accredited Living Wage Employer in the UK since 2020. A living wage goes above and beyond the minimum wage and reflects the real cost of living. We pay all our employees above the Fair Living Wage thresholds, as defined by the Fair Wage Network. We are also committed to paying a Fair Living Wage to all our contractors, interns and trainees.

In 2022, we completed an assessment in our top 10 markets to identify if any Fair Wage gaps existed and in 2023 we worked with the Human Resources team to put into place plans to rectify where gaps were identified. Now, with only one exception for a small group of workers in the Middle East, an issue that we will resolve in 2024, contractors on our sites also receive a Fair Living Wage, ensuring they have a sustainable livelihood in line with our Sustainability Ambitions.

Our Sustainable Livelihood Framework goes beyond wages to also capture broader work on providing a safe working environment that promotes health and wellbeing, equality, employment rights, long-term financial security and skills development to support ongoing career development for our people.

Respecting Human Rights Across Our Value Chain Continued



Our Responsible Workplace programme helps our Procurement Team manage human rights risks in our supply chain. We work with our suppliers to tackle modern slavery and ensure human rights are respected."

Bijju Padmanabhan
SVP – Group Head of Procurement

OUR SUPPLY CHAIN

Tier 1 suppliers

Due to the complexity and scale of our supply chain, we take a risk-based approach and focus on higher-risk supplier categories. We are also systematically expanding our due diligence activities over time. In 2023, we continued our work with third-party manufacturers, distribution and embellishment centres and our high-risk raw and packaging material supplier programme.

We require all suppliers included in our programme to complete a Sedex SAQ and conduct a site-level risk-assessment based on the supplying site's inherent country risk using the indicators below.

- 40% – World Bank Governance Indicators
- 15% – UN Human Development Index (HDI)
- 15% – Transparency International Corruption Index
- 15% – US State Department Trafficking in Persons Report
- 15% – Sustainable Development Report

These indicators help us look at the site risk and for modern slavery and human trafficking indicators. Additionally, in the overall site risk, we consider the audit rating, where one is available, from the most recent audit.

In 2023, 546 supplier sites were included in the programme. The site risk profile of the suppliers was: 40 (7%) critical, 88 (16%) high, 230 (42%) medium and 188 (35%) low risk. In 2023, we continued our downward trajectory of high-risk sites and this is a 3% improvement versus 2022 and a 22% reduction in critical and high-risk rated sites since 2021, due to our ongoing site engagement to drive improvements. This demonstrates the positive impact our Responsible Workplace programme is having on the sites we are engaging with in our value chain.

Sites assessed as critical or high risk undergo a site audit to assess compliance at least every three years. This may be sooner where the most recent audit suggests the need for more frequent follow-up. In addition, all third-party manufacturers, and distribution and embellishment centres located in emerging economies are audited as part of their onboarding.

In 2023, we continued to ensure that co-packers and selected raw material and packaging suppliers in high-risk regions are audited before commencing a commercial relationship with us.

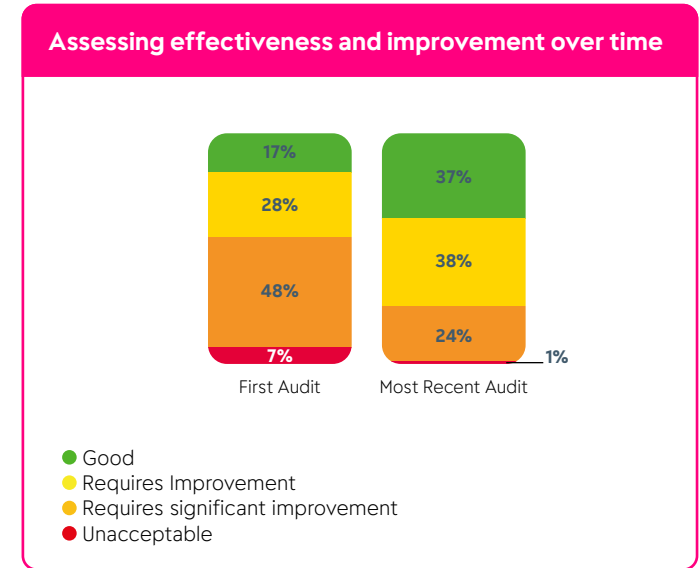
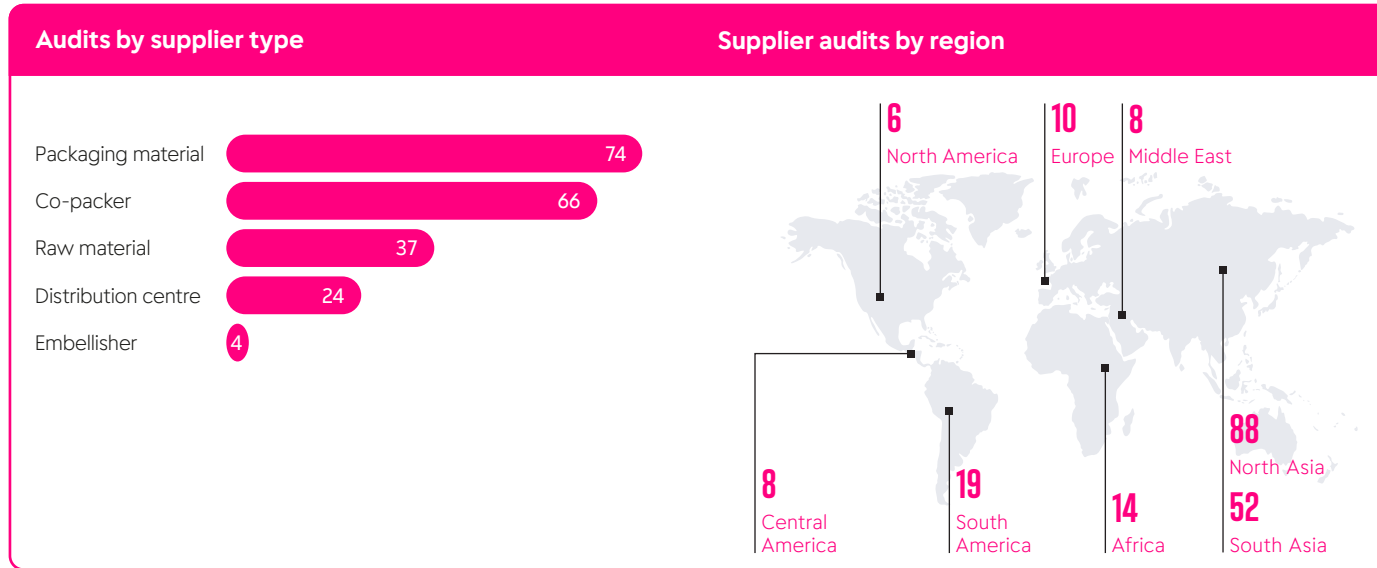
2023 saw an increased percentage of suppliers completing the SAQ, rising from 53% in 2022 to 59%. While we need to increase the number of suppliers completing an SAQ in 2024 we have seen a 24% increase in the past two years. We will be specifically focusing on the USA and Europe to increase this number as both these regions have lower completion rates.

We see this self-assessment as helpful in building suppliers' understanding of the policies and procedures for their facilities and supply chain, strengthening their management of labour standards, health and safety, environmental compliance and business integrity. We continued to include Sedex SAQ completion in our risk scoring to add additional detail. However, as completion is self-assessed it only contributed to a small percentage of the total risk score. This helps us drive completion because lapsed or overdue SAQs are flagged in our supplier balanced scorecard reviews.

In 2023, we audited 205 suppliers across seven regions, with c.72,000 workers covered by these audits. In 2023, we worked with a partner to enhance our Audit Pro Forma tool to split out salient issues and non-conformities by gender. This will help us better understand disproportionate impacts of findings on females, and help us address gender inequalities in our supply network. Whilst the audit pro forma has been completed and successfully piloted, it will be rolled out more widely in H2 2024 after the update of the SMETA Audit Methodology.

Additionally, 8,357 (12%) of the employees across the sites were migrants, whom we know are more vulnerable to exploitation than local workers. There was also a direct correlation between the countries with the highest percentage of migrant workers and countries where forced labour is more prevalent. These countries were the UAE, Bahrain, Oman, Thailand and Malaysia. To mitigate the risk, our regional teams in these markets assess, partner and build the capability of suppliers in these regions.

Respecting Human Rights Across Our Value Chain Continued



Our audits identified 1,506 contraventions of our standards in 2023. While the number of findings is naturally a concern, it reflects the fact that in some cases suppliers had not previously been assessed, or local legislation can be limited or not applied. This further supports the need for us to expand our activity to identify issues and work with suppliers to drive improvement. The average number of findings per audit increased slightly compared with 2022. This is due to the mix of suppliers that were in the audit schedule for 2023. There were a much higher number of raw material and packaging suppliers who have been more recently engaged on the programme and are lower maturity.

One key aspect of the audits involves directly engaging workers in the factories through individual and group interviews as part of the monitoring process. We suggest auditors pick a sample of interviewees from a variety of backgrounds, age, gender, race, nationality and length of service. Through an update of our Audit Pro Forma tool, we will be able to combine data from these interviews with our grievance mechanism and worker-wellbeing data.

We will also look to overlay gender data onto findings which will give us more granularity to see issues where women are disproportionately impacted

compared to men. We will continue to monitor suppliers through audits and capability building, and continue to be innovative and agile, conducting targeted training to build understanding of these specific challenges and their root causes.

We have seen a consistent improvement in audit performance over the past few years on sites that have been audited more than once. This is borne out in an improvement from the first site audit to the most recent. In the initial audit, only 45% of sites achieved a pass rating compared with 75% in the most recent. These improvements are a key metric signifying our programme's effectiveness. They have been made possible through a partnership approach, providing suppliers with free technical support and guidance to elevate standards.

Overall, the most common areas of non-conformance concerned health and safety (51%), working hours (14%) and wages (8%), similar to 2022. All three areas are salient human rights issues for Reckitt. We continue to partner with our suppliers to tackle the root cause of these findings and enable them to remediate in a sustainable manner. In the appendix, we have broken down these findings by our top salient human rights issues and provided details on the types of issues and severity by supplier type

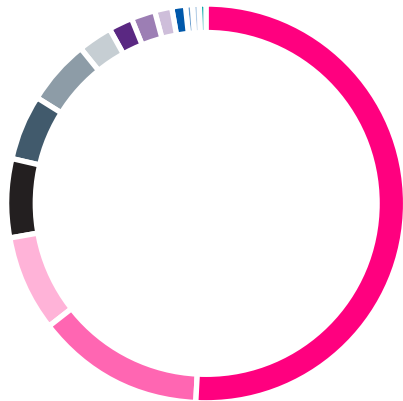
and geography. Our audits of suppliers did not identify any instances of child labour but, in the case of 16 suppliers, we raised opportunities to strengthen the prevention of child labour. The audits identified areas where policies could be further strengthened to build awareness and preventative measures at suppliers' manufacturing sites. Recognising the risks in global supply chains, within farming activity for crops including latex, palm and cocoa, we also work through local partners such as Earthworm Foundation to build awareness of and prevent child labour within farming communities. Our programmes include farm-level activity to strengthen livelihoods that helps to address economic pressures which can lead to children working.

We review each supplier's audit corrective action plan (CAPA), providing technical support if required. 97% of CAPAs from audits conducted in 2023 are in place, which is a slight improvement on 2022. We are working with those remaining suppliers, monitoring their progress, and will re-audit them to verify that actions have been completed.

The actions taken range from improving management systems, enhancing environmental practices on site and updating policies through to improved worker training, particularly in relation to health and safety.

Respecting Human Rights Across Our Value Chain Continued

2023 findings



● Health, safety & hygiene	774
● Working hours	208
● Wages	116
● Management systems	97
● Regular employment	83
● Environment	80
● Discipline & grievance	39
● Freedom of association & collective bargaining	32
● Employment freely chosen	27
● Business integrity	22
● Preventing child labour	16
● Discrimination	9
● Access	2
● Land rights	1

Examples of supplier improvements include a premium rate for overtime, improved fire safety, machine guards and production planning to prevent excessive overtime and bettershift patterns.

We continued to focus on protecting workers vulnerable to exploitation and partnered with Oxfam Business Advisory Service to define the gender diversity and inclusion data to collect through our supply chain activities to better understand and address barriers, and promote gender diversity and inclusion. This has led to recommendations which we will embed in our updated Audit Pro Forma tool in 2024. It will help us better understand how issues in our supply chain are disproportionately impacting different genders.

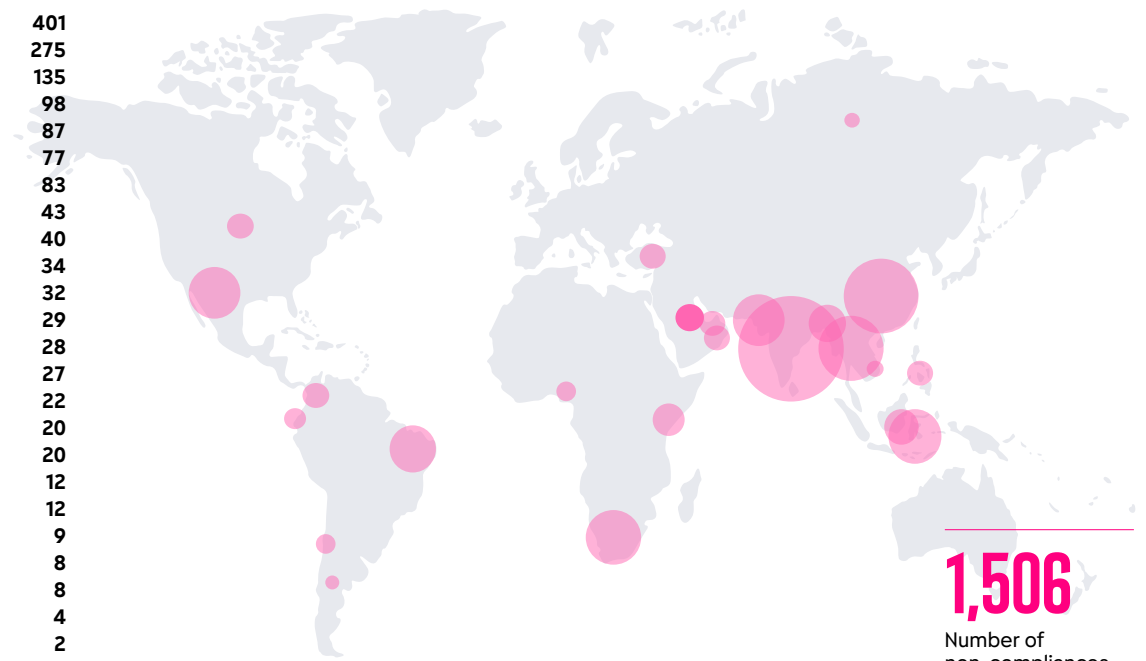
Of the 205 suppliers audited in 2023, 62% (127) achieved a pass rating, a 5% decrease from 2022. This was due to many of the suppliers being audited in 2023 being raw material and packaging suppliers who are lower maturity.

We did see many of them improve their numerical score, even if they did not improve their overall status. We will continue to partner with these suppliers and build their capabilities.

The trend overall is one of improving performance. Audit pass rates improve from 45% at an initial audit to 75% in the most recent one. While encouraging, we remain focused on delivering our programmes, identifying and addressing issues, and ensuring that the corrective actions taken are effective in delivering sustained, long-term improvement.

2023 findings heat map

India	401
China	275
Thailand	135
South Africa	98
Mexico	87
Indonesia	77
Pakistan	83
Brazil	43
Malaysia	40
Bangladesh	34
Columbia	32
Turkey	29
UAE	28
Oman	27
USA	22
Philippines	20
Kenya	20
Chile	12
Ecuador	12
Argentina	9
Nigeria	8
Saudi Arabia	8
Russian Federation	4
Vietnam	2



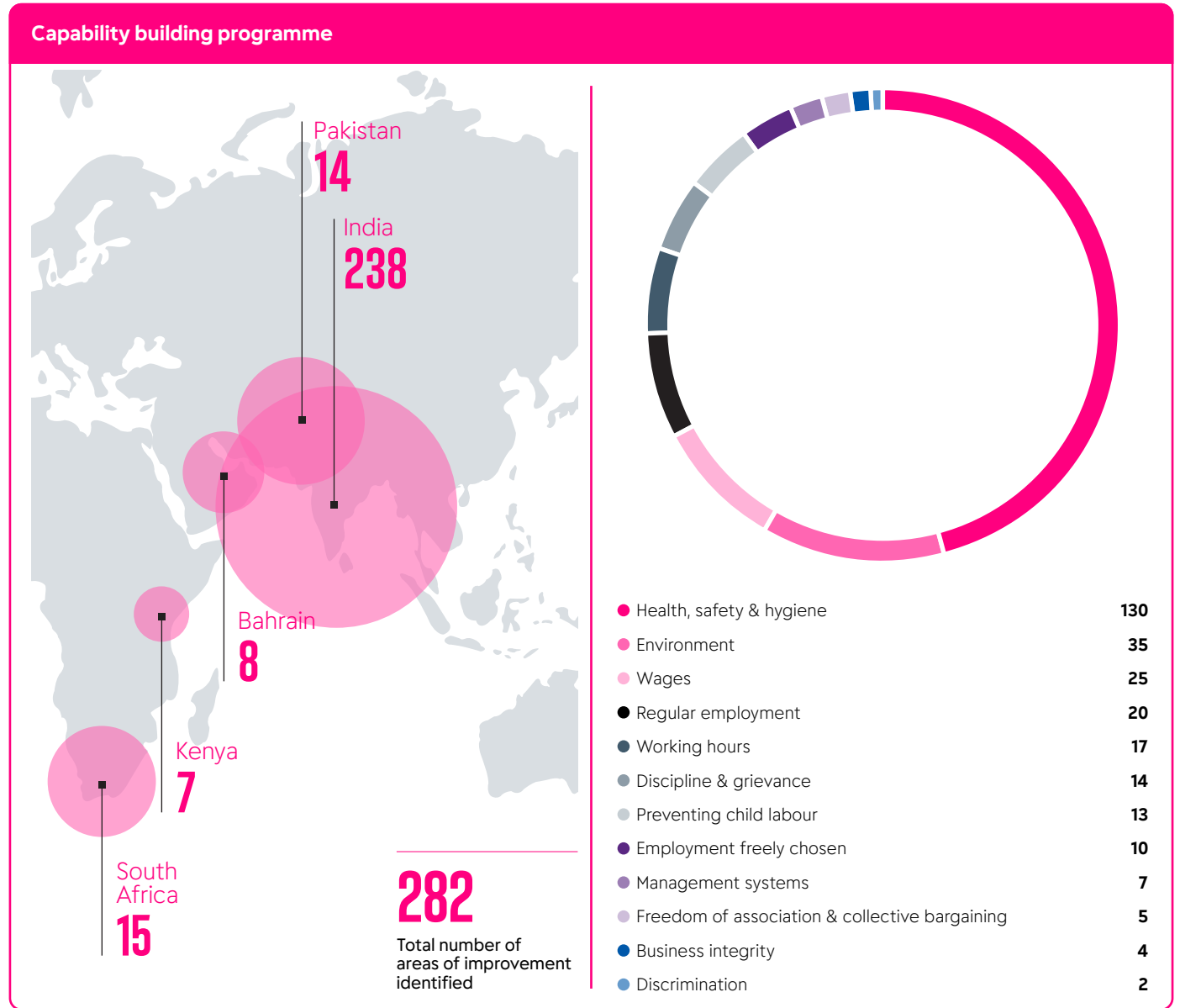
1,506
Number of non-compliances

Respecting Human Rights Across Our Value Chain Continued

GOING BEYOND AUDIT TO TREAT SUPPLIERS AS PARTNERS

Ethical audits play an important role in improving supplier standards, but this does not always lead to lasting improvement. In isolation, audits may not address the root causes of non-compliances to our policies.

Suppliers don't always have the capabilities or resources to spot and understand the root causes of issues or grasp the changes it will take to stop them. That is why we are continuing to support selected suppliers through our Capability Building programme. Our Capability Building programme has been underway since 2018. It's a mixture of training workshops, site visits and regular technical guidance. In 2023, we conducted 20 in-person and virtual visits to sites, identifying 282 areas for improvement. These help foster a closer, partnership-based relationship with our suppliers that delivers sustained long-term improvement, which is becoming apparent from the improvement in audit ratings.



Respecting Human Rights Across Our Value Chain Continued

CASE STUDY

India

In 2023 a large number of capability-building activities were conducted in India, specifically focusing on our distribution centres (DCs). To build capability in our distribution network in India we worked with the teams to put all DCs through two stages of capability building:

Capability Building Visit – The visit comprises of pre-work (preparing the supplier for the visit), a gap assessment, followed by training (depending on what has been identified as gaps). After the visit has taken place the site will work on a corrective and preventative action plan (CAPA), and this is followed up by the Reckitt team.

Audit – 12 months after the Capability Building Visit an audit will be conducted. In between the Capability Building Visit and the audit, the Reckitt team follow up on the CAPA and ensure the supplier is closing the gaps and improving. They will then have their next audit based on risks and performance in line with our routine audit approach.

CASE STUDY

Returning passports in the Gulf

The Middle East is considered a high-risk region for forced labour. Retention of identity documents and passports, excessive working hours, swapping of contracts, debt bondage, unethical recruitment practices, withholding of wages, and poor living and working conditions are systemic issues in the region. Changing industry practice and employers' mindsets is not something that can be addressed quickly. Since 2019, we have engaged suppliers in the Middle East and Gulf states through capability-building visits. Through this approach, one of our strategic suppliers has returned over 1,500 passports to employees.

We continued our efforts and, in 2023, worked with selected raw material suppliers and distribution centres and returned a further 241 passports to direct and indirect employees. We will continue this approach and engage more distribution and embellishment centres along with raw material and packaging material suppliers to follow this practice. In addition to returning passports, we have also ensured and monitored compliance in all our co-packing sites on working hours and providing employment contract letters to all employees.

CASE STUDY

Rolling out effective grievance mechanisms

The UN Guiding Principles on Business and Human Rights focus on the need for businesses to implement effective grievance mechanisms. But there is very limited practical guidance on how to do it.

In 2023, we continued our partnership with Oxfam Business Advisory Service (OBAS) and together with OBAS and AIM-Progress rolled out a grievance mechanism toolkit to 15 suppliers across Brazil, Australia, Italy, Poland, China and India. During this process we helped the suppliers implement site-level grievance mechanisms. This empowers workers and communities to speak up and have their concerns acknowledged and addressed.

Engaging workers was central to the design and ultimate success of the grievance mechanism, with one supplier saying, "It was eye-opening that speaking to employees can give you very valuable feedback, if you give them the right forum to share ideas." We did encounter sensitivities around the word 'grievance' from both management and workers; however, as one supplier put it, you shouldn't "be scared of the word grievance; move away from it and release workers to talk about their experience at work. It's about how well you want to know your workforce".

Building on the learnings from the pilot, we plan to roll out more widely in 2024, working with suppliers to encourage them to use the toolkit and assessing the results through our existing audit activity. We also hope to embed some of these metrics into KPIs going forward to better evaluate progress made and quantify our positive impact.

Respecting Human Rights Across Our Value Chain Continued

Key natural raw material supply chains

Our Natural Raw Material (NRM) Sourcing Standard captures our commitment to human rights within principle two, "Safeguarding workers and communities", and the subsequent principles focus on protecting ecosystems and reducing negative environmental impacts. Risks to people who grow or harvest raw materials that go into our products include modern slavery drivers such as debt bondage and child labour. Damage to ecosystems also creates human rights risks for primary producers; for example, violations of land rights and loss of access to 'services' such as clean water vital for the livelihoods and wellbeing of local communities.


Our starting point for our work on NRMs is a risk assessment which determines which NRMs we focus on. Principle one in our sourcing standard, traceability, is our starting point and is central to our ability to assess risks within our upstream supply chains for both primary producers (i.e. farms, plantations, fisheries) and for tier 2 suppliers such as palm oil processing mills.

We use a range of approaches to tackle any risks identified, with activities tailored to the individual raw materials. This ranges from certifications to direct interventions through NGO partners. Principle six in our standard, "Partnerships", captures our commitment to working with others to address challenges more effectively and encourage improvements in industry standards. Our aim is to ensure the long-term social and environmental sustainability of our supply chain and the communities that underpin them.

PALM OIL

Palm oil uses less land and produces a higher yield of oil for lower cost than similar crops. It's also highly versatile. But large areas of forest and peatland have been converted to cultivate it, which has destroyed palm landscapes and biodiversity. There are also known risks to human rights that take place at palm plantations, such as forced and child labour, low wages, unsafe working conditions and sexual abuse. Communities adjacent to palm plantations are also known to face violations of their land rights through land appropriation and inadequate compensation.

We have a multifaceted approach to addressing these issues and work in close collaboration with our partner, Earthworm Foundation. Our approach is centred on mapping our supply chain from direct supplier to plantation, enabling identification of risks and delivery of interventions to protect ecosystems and safeguard workers and communities. In 2022, 99% of our palm oil (excluding surfactants) was traceable to mill and 80% to plantation. We publish a [list of the palm oil refineries and mills](#) within our supply chain annually and we share key data points on our palm oil programme in the sustainability data book.

 **See our Biodiversity Insights Report**
 at https://reckitt.com/media/da4hdggo/reckitt_sustainability-report_2023.pdf#page=40

Our approach involves:

- **Roundtable on Sustainable Palm Oil (RSPO) certification**

At the end of 2023, we met our target that all the palm oil we buy as an ingredient (soap noodles and fat blends). This makes up the majority of the palm oil we purchase, and supports the RSPO sustainability programme. By the end of 2026, 100% of the palm oil we buy will be supporting the RSPO sustainability programme. We meet these targets through a combination of certified segregated volumes, Mass Balance and RSPO credits and are on track to achieve our 2026 target of 100%.

- **Satellite monitoring**

Through the Earthworm/Airbus Starling platform, we analyse satellite imagery to identify deforestation in supply chains that are at the highest risk for deforestation: Malaysia and Indonesia. We raise any signs of deforestation with suppliers for verification and follow up to ensure appropriate action is taken to stop and address deforestation, which includes preventing palm being grown on deforested areas. Where primary producers fail to halt or address deforestation, we will exclude them from our supply chain.



Respecting Human Rights Across Our Value Chain Continued

• Supply chain monitoring systems

We work with our suppliers to ensure systems are in place to monitor No Deforestation, No Peat, and No Exploitation (NDPE) compliance in upstream supply chains. Building on our previous investments in the Tools for Transformation (T4T) platform in 2021, we worked closely with our soap noodle suppliers in India in 2023 to assess gaps in NDPE implementation in their supply chains. This assessment was completed by Earthworm via their EPI LITE assessment tool and has led to the development of action plans that will be implemented in 2024.

• Supporting landscape-level approaches to progress our commitment to NDPE

Through our partnership with Earthworm Foundation we supported two programmes in 2023: Riau in Indonesia and Sabah in Malaysia. These programmes aim to build a resilient landscape by balancing production, forest conservation, sustainable livelihoods and good social and labour practices.

• Industry collaboration

We are active members of the Consumer Goods Forum's Forest Positive (CGF FPC) and Human Rights Coalitions of Action, a group that takes collective action to identify and address deforestation and forced labour in our shared supply chains.



Image credit: Earthworm Foundation (EF)

Engaging our palm oil suppliers

Given the systemic nature of deforestation and human rights issues in palm oil supply chains, our ability to change things alone is limited. We work with our direct suppliers to communicate our sourcing requirements and support our NDPE monitoring and interventions in our extended supply chain.

In 2023, we regularly met with our suppliers of fats blends and soap noodles, which make up over 80% of our palm oil volumes. These meetings set out our approach to palm oil sourcing and enable suppliers to share their progress to help us monitor delivery and address emerging issues. To encourage accountability for progress we also established a palm supplier scorecard with procurement in 2023. This scorecard includes supplier-specific KPIs on traceability, No Deforestation Verification and the management of grievances which are commonly related to deforestation, human rights or land rights issues. Reviewing supplier performance on these areas in collaboration with procurement enables us to leverage commercial influence to embed ownership of these risks by our suppliers.

As we mostly procure processed derivatives of palm oil, traceability and monitoring are challenging, given the scale of production and layers of processing in the supply chain. For palm-derived surfactants, this challenge is even greater – we continue to work with Action for Sustainable Derivatives (ASD) to drive increased visibility in these supply chains. In 2023, we completed our annual traceability exercise with ASD, and took part in a pilot No Deforestation Verification pilot using satellite monitoring. In 2024 we will repeat these exercises to monitor progress, and continue to work with ASD to encourage our surfactant suppliers to provide greater visibility of their supply chains. We are active ASD members, and engage in their grievance management workstream, which seeks to use collective leverage as ASD members to engage suppliers on grievances.

CASE STUDY

Reckitt supports landscape programmes as an effective mechanism to address, at farm level, the systemic issues linked to the palm oil industry. In 2023, we continued to fund the Earthworm Riau landscape programme which is located in a region which our traceability exercise has identified that we source palm from. This programme not only tackles issues around deforestation, but also engages with communities and companies to address human rights risks.

In 2023 the Riau programme improved working conditions for over 1,500 workers by working with their employers to implement the Indonesian Sustainable Palm Oil certification standard. Alongside this, completing diagnostics on employment practices for five companies supported employers by identifying key actions for improvement. At farm level health and safety is a common risk, and training for over 300 smallholder farmers and their labourers has equipped them to better manage the risks of tasks such as pesticide application.

Alongside labour risks, land rights continue to be challenging for local communities who can end up in conflict with Government over protected areas, or companies over plantation boundary disputes. Since 2021, Earthworm has been working with communities to map issues and has identified 10 affected communities. In 2024 they will build on the conflict resolution training that has already been delivered and develop a conflict resolution system in collaboration with local stakeholders.

Since the beginning of the Riau programme in 2021, over 14,000 workers and farmers have benefited from Earthworm's support to ensure their rights are respected.

Respecting Human Rights Across Our Value Chain Continued

LATEX

Natural latex is the main ingredient in Durex condoms. It comes largely from Malaysia and Thailand, with a small amount from India.

Our assessment of human rights impacts in our Thai latex value chain, carried out with the Danish Institute for Human Rights in 2019, found several risks. They included potential exploitation of migrant latex tappers who work for latex smallholder farmers, challenges to communities' land rights or unsustainable livelihoods for smallholders. The Fair Rubber Certification in place for the majority of our natural latex volume by end 2023 enables us to connect at farm level and ensure our latex suppliers are meeting our Labour and Human Rights Standard.

Latex farmers' incomes are linked to the global price for natural rubber, which in turn depends heavily on the price of the synthetic rubber used in much larger quantities for products like car tyres. Latex prices have declined over time, reducing incomes and encouraging latex farmers to remove trees and move to crops with more stable markets such as durian or palm oil.

To help address one of the risks identified in our 2019 HRIA we have invested in supporting farmers to have secure, sustainable livelihoods through commercial incentives, and investment in training and capacity building. This investment will also help ensure Durex has a sustainable supply of latex. As part of this commitment over 80% of our natural latex volume was Fair Rubber Certified by the end of 2023. This certification provides a premium to farmers to enhance their incomes. The premium helps farmers invest in their latex quality and yield, while organising farmers into associations enables collective savings on key costs such as organic fertiliser, as well as collective action on income generation.

By the end of 2024, 100% of our natural latex volume for Durex will be certified with latex farmers organised into six farmer associations. We will continue to support the Fair Rubber Association (FRA) to build the capacity of the farmer association to ensure strong governance is in place to enable the latex farmers to realise the collective benefits of being a membership organisation.

Alongside the FRA premium, we continued working with Earthworm in Surat Thani to improve over 800 latex farmers' livelihoods to ensure latex farming is a viable long-term occupation, which in turn makes our Durex supply chains more resilient. These farmers are all members of the Surat Thani Rubber Association, a certified FRA farmer group. The Earthworm programme delivers:

- **increased farmer, tapper and household income** from latex and other sources, like fish farming, beekeeping and mushroom growing;
- **encouraging regenerative agriculture practices** like agroforestry, which improve productivity and enhance ecosystems; and
- **reduced Human-Elephant Conflict (HEC)** with activities to encourage wild elephants to remain in national park boundaries and not stray onto latex farmers' land.

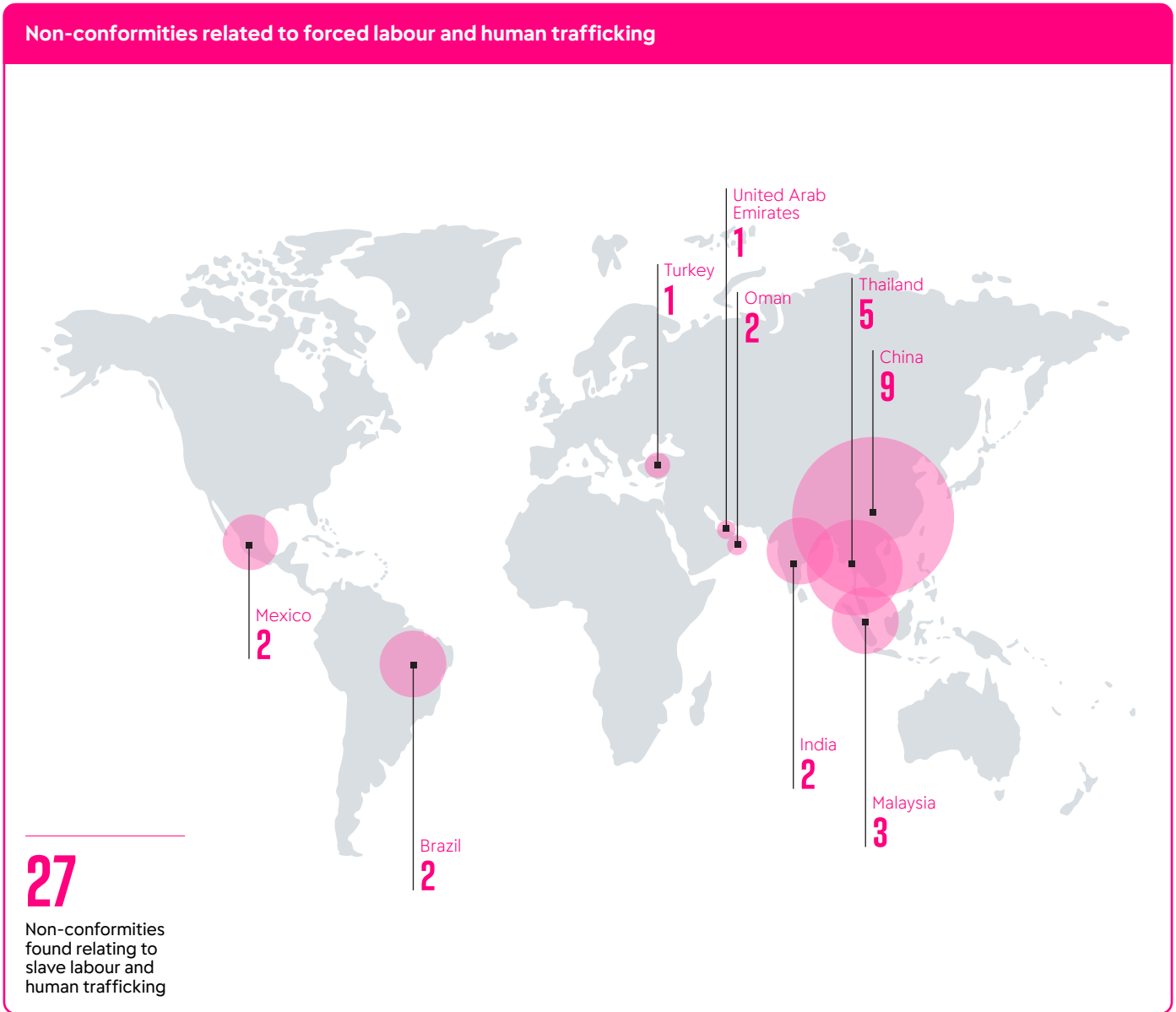
In 2024 we are working with the Surat Thani Rubber Association to identify a pathway for their members to achieve a living income.



Investigating Modern Slavery Allegations

All aspects of modern slavery go against our core values and commitment to ensure human rights are respected. As a global company with a far-reaching supply chain, we have a responsibility to ensure that the human rights of people working in our value chain are respected and they are not subjected to slavery or forced labour.

Through our audit programme in 2023, we identified 1,506 non-conformities with our Sourcing for Sustainable Growth Policy in our supply chain, 27 of which were related to forced labour and human trafficking. While one finding is one too many, it is important we identify these issues in our supply chain and take action to ensure those impacted gain access to remedy.



Investigating Modern Slavery Allegations Continued

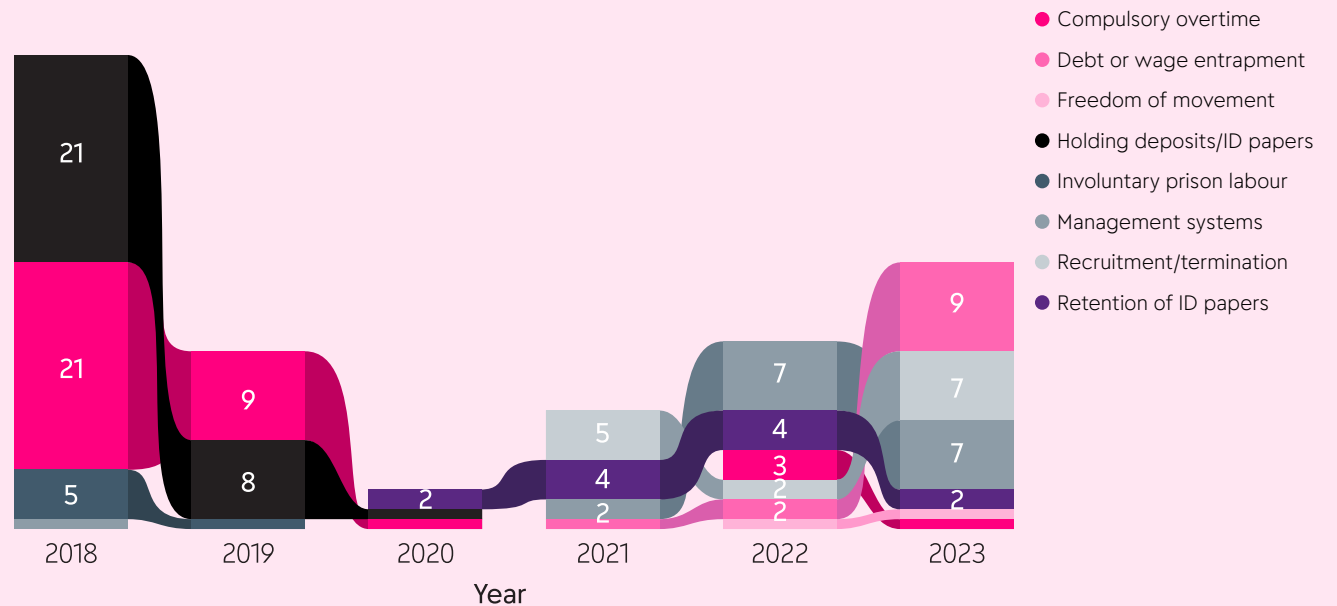
Of the 27 findings identified:

- For seven cases, the suppliers had no policy around freely chosen employment. These instances were in China, Mexico, India and Oman. We have worked with these suppliers to ensure they have a policy in place, and communicated to employees on-site and all seven instances have now been actioned
- Seven cases concerned delayed wages for employees who had resigned and left the company, all these suppliers are based in China where this is common practice. Six of the suppliers have implemented corrective action. Going forward they will pay workers leaving on the day following their last working day rather than during the next wage payment run. However, one supplier has refused to implement a corrective action on this. This has been escalated to Procurement who are in discussions with the supplier to implement a corrective action for this finding. If this is not possible, then we may stop trading with the supplier
- Two cases related to passport retention at suppliers in the United Arab Emirates and Malaysia. In both cases, passports were retained by management for safekeeping, which is common practice in these countries. However, this is against Reckitt Policy and no written consent was provided by employees. In both of these cases passports have been returned to all workers impacted. Nevertheless, we continue to actively engage suppliers to return passports to employees and provide accessible secure storage facilities to ensure the safety of personal documents. This means workers do not have to request access to their passports, a practice that can be abused by employers or leave workers feeling unable to ask – both mean workers lose the freedom to move as they choose
- We had nine cases related to recruitment fees, across sites in Malaysia, Thailand, Turkey, India and China. We have been providing support to all of these suppliers throughout 2023 to ensure that progress has been made and these practices have stopped. All sites have now stopped this practice and we are working with them to implement an ethical recruitment procedure. We also suggest they screen all new agencies and ensure that new starters don't pay recruitment fees

- One instance of freedom of movement was identified., this was in Brazil The site would not let three employees leave at the end of the day when they were still needed for ongoing work. We followed up with this supplier to address matter and prevent similar occurrences in the future
- One case involved compulsory overtime. This was for a supplier in Brazil where employees had been mandated to complete overtime due to increased production requirements or the site being short of staff. A new process has been put in place to allocate overtime to employees who wish to do it. We have reiterated that this needs to be within the parameters of Reckitt's working hour policy

Over the last few years our understanding of the various forms of forced labour has evolved, together with our activity to tackle them. Our initial focus was on addressing those aspects which are more visible and where we have greater ability to drive change, such as preventing passport retention, enabling freedom of movement, improving employment terms and conditions, and improving company-provided accommodation. We are now increasing our focus on systematically identifying and addressing exploitative recruitment practices within global supply chains.

Types of non-conformities identified



Investigating Modern Slavery Allegations Continued

RESPONSIBLE RECRUITMENT

Exploitative recruitment practices, such as the payment of recruitment fees and contract substitution, are forms of modern slavery that many migrant and vulnerable workers face.

Many such practices occur deep within the migrant labour supply chain and can be facilitated by weak state governance, corruption and wider criminality. To help address this risk, we are strengthening our approaches to both preventing and remediating cases of exploitative recruitment practices.

- **Policies and procedures** – In 2021, we strengthened our policies and procedures concerning responsible recruitment. Our updated [Labour and Human Rights Standard](#) includes specific requirements to ensure recruitment is conducted responsibly, including the need for recruitment fees to be borne by the employer. We developed an internal recruitment fee remediation procedure to address cases where workers have incurred recruitment fees within Reckitt's operations or supply chain. The procedure is closely aligned with Impact's [Principles and Guidelines for the Repayment of Migrant Worker Recruitment Fees and Related Costs](#).



- **Due diligence and remediation** – Through our existing audit and capability-building activities, we are increasing our engagement with suppliers on the recruitment of migrant workers and the due-diligence mechanisms they have in place to ensure this is done responsibly. We continued to partner with diginexLUMEN, to deliver focused and scalable due diligence. Where we have identified that migrants have been subjected to unethical recruitment, we work with our suppliers to ensure workers gain access to remedy, as we have done in Malaysia.
- **Training** – We deliver training on responsible recruitment, independently and in partnership with others through AIM-Progress and the Consumer Goods Forum, to build understanding and strengthen due-diligence practices of our suppliers and labour providers.
- **Wider sectoral collaboration and advocacy** – Given the systemic nature of exploitative recruitment practices, we can only deliver systematic change through wider engagement with industry, NGOs and governments. Consequently, through the Consumer Goods Forum Human Rights Coalition – Working to End Forced Labour, we are actively working with wider industry to:
 - establish and deploy human rights due diligence systems focused on forced labour in our operations and our palm oil supply chain; and
 - support the development of responsible recruitment markets.

Investigating Modern Slavery Allegations Continued

CASE STUDY

Scaling up technology for a clearer view of risks to migrant workers

To effectively tackle exploitative recruitment practices at scale, we need to increase visibility of the migrant labour supply chain and the practices within it in a cost-effective way. We continued our partnership with diginex and The Coca-Cola Company to develop and roll out in the Gulf Cooperation Council (GCC) a pioneering online tool, diginexLUMEN. The tool provides us with unprecedented insight into our suppliers' risks around exploitation and forced labour. It offers a governance and screening procedure, multilingual worker voice surveys, algorithm-based risk scoring and reports that enable us to take targeted action to promote responsible recruitment.

In 2023, 45 suppliers were enrolled and completed the diginexLUMEN self-assessment questionnaire (SAQ). Across the 45 sites, 782 workers participated and completed the worker voice survey, which represents 16% of the workforce on these sites. The majority of the employees across these sites are migrant workers so are more vulnerable to modern slavery. In 2023, the Reckitt team visited eight high-risk suppliers as part of our capacity-building programme. Where the diginex surveys were rolled out, we validated the on-site worker voice surveys and provided technical guidelines and improvement plans that have been shared with site management.

In 2024 we are rolling out the next iteration of the diginex SAQ to additional suppliers.

 See diginexLUMEN
at <https://www.diginex.com/diginex-lumen>

CASE STUDY

Improving employment practices of migrant workers within ASEAN

In collaboration with AIM Progress & Embode, we worked on a Responsible Recruitment Capacity Building Project which took place in Thailand and Malaysia. We are collaborating with our peer companies to engage and provide technical support to our suppliers in the programme. The project framework has 10 critical areas within Responsible Recruitment. These include processes for ensuring labour brokers follow the correct standards, working conditions, living conditions for migrant workers and ensuring that effective grievance mechanisms are in place. There was also a session on effective remediation.

Looking ahead, we are considering future events in other languages such as Mandarin, Bahasa Indonesian and Malaysian to maximise reach and impact.

Given the systemic nature of these issues, we will continue our activities based on our learnings to date and leverage our membership of AIM-Progress and the Consumer Goods Forum to drive long-lasting change through advocacy and multi-stakeholder collaboration.



CASE STUDY

Addressing recruitment fees

In 2023, we commissioned an independent third party (Wallbrook) to identify instances where migrant workers had paid recruitment fees at two sites based in Malaysia and the UAE. Wallbrook identified employees who had paid recruitment fees and calculated the average fees per nationality to support the development of a repayment plan.

The assessments were conducted in line with the International Labour Organization's general principles and operational guidelines for fair recruitment, in addition to best practice guidance. This involved a series of group and individual interviews with migrant workers on site and in-depth discussions and interviews with site management too. This was triangulated by reviewing documents such as sample contracts and pay slips and speaking with agencies to understand sub-contracting labour practices.

Through this, we identified that all migrant workers at the Malaysian site had paid some form of recruitment fees, and several cases of fee payment for both international and local recruits were identified in the UAE. We are working in a cross-functional group to close these gaps.



Partnership and Collaboration

The issues outlined in this statement are global, complex and constantly evolving.

We remain committed to playing our part in ending modern slavery and we understand that our global scale gives us the ability to influence others. While there is no quick fix, we believe that through collaboration with our partners and peers we can positively impact the lives of people and help to end modern slavery in its various guises. Details of some of these partnerships can be found below:

AIM-Progress



We're a leading member of AIM-Progress, a forum of leading Fast-Moving Consumer Goods (FMCG) manufacturers and common suppliers working to enable and promote responsible sourcing practices and sustainable supply chains. It is a global initiative supported and sponsored by AIM, the European Brands Association in Europe. The goal of AIM-Progress is to positively impact people's lives and ensure respect for human rights, while delivering value to members and their supply chains. Reckitt is on the leadership team and co-chairs the Capacity Building workstream

Consumer Goods Forum (CGF)



Being part of the CGF helps us work with other leading brands, manufacturers and retailers committed to social and environmental sustainability. In turn, this helps us boost our collective impact through safe, resilient and sustainable value chains. In 2023, we continued to support the CGF's Human Rights Coalition – Working to End Forced Labour and Forest Positive Coalition

Earthworm Foundation (EF)



EF continues to be our main implementing partner in our latex and palm oil supply chains, as described earlier in this report

Manufacture 2030



We continued our partnership with Manufacture 2030 (M2030) to deliver our Supplier Environmental Performance programme. We work with our suppliers and M2030 to help them reduce their environmental footprint through a series of innovative projects and behavioural changes

Oxfam Business Advisory Service



We work with Oxfam Business Advisory Service (OBAS) on practical ways to implement our commitments to respect human rights across our value chain. We've focused on issues including gender equality and workers' welfare. Together we have:

- developed and rolled out a toolkit to help suppliers create grievance procedures for their workers (see case study);
- improved our survey to assess workers' wellbeing.

Pharmaceutical Supply Chain Initiative (PSCI)



PSCI is a group of pharmaceutical and healthcare companies that share a vision of better social, health, safety and environmental outcomes in the communities where we buy. PSCI believes that collectively members can share knowledge and expertise across the industry, to drive complex, global change more effectively than any one organisation alone. We have joined forces to promote responsible supply chain management and better business conditions across the industry

Sedex



We are a member of Sedex, one of the world's leading ethical trade service providers, striving to improve working conditions in global supply chains. Sedex is a collaborative platform that enables the sharing of social and environment data, including indicators related to forced labour and modern slavery, between suppliers, buyers and customers to improve responsible and sustainability business practices within global supply chains

Wallbrook



Wallbrook is a pioneering global due diligence, ESG & human rights consultancy. The firm helps clients understand how they impact human rights across their operations and value chain, equipping businesses with the tools and know-how to mitigate human rights risks. In late 2023, Wallbrook was acquired and became part of the Anthesis Group. Reckitt have worked with Wallbrook around Recruitment Fee reimbursement in 2023 and will conduct a HRIA with them in 2024.

Monitoring Progress

We monitor progress against our Human Rights programme using Key Performance Indicators (KPIs), including the number of suppliers audited, pass rate of those audited and training to employees on human rights. Beyond these KPIs, we also track progress on some others internally. These include Natural Raw Material KPIs that are tracked quarterly.



Image credit: Aim-Progress

Tracking progress

In addition to launching programmes, we track our advancement against our human rights agenda using key performance indicators (KPIs). These KPIs serve as valuable benchmarks for measuring progress against our commitments, with a primary focus on our audit programme – a crucial element of our due diligence strategy.

Below is the latest performance update:

	2022 performance	2023 progress	Commentary
205 site audits in 2023	217	205	We conducted 205 site audits in 2023 (66 co-packers, 24 distribution centers, four embellishment centres, 74 packaging material suppliers and 37 raw material suppliers), covering more than 72,000 workers.
% of in scope suppliers completing Self-Assessment Questionnaire (SAQ)	53%	59%	In scope suppliers include third party manufacturers (co-packers), distribution centres, embellishers, packaging material and raw material suppliers. In 2024, we will be working with our suppliers to meet their overdue SAQs.
% pass rate of those audited	67%	62%	We are disappointed this number has dropped and in we had a pass rate of 62% (127 pass audits out of 205) in 2023 which is lower than the target. In total, we had 78 failed audits (60% of which are Raw Material and Packaging Suppliers who are typically lower maturity). In 2024, we are delivering awareness training sessions in addition to providing technical guidance and support to the suppliers based in high-risk regions and focus on critical areas.
% of audited suppliers with approved corrective action plans	96%	94%	We have seen a decrease in the percentage of approved corrective action plans. This is partly because many audits are completed in November and December. Corrective action plans are developed after audit completion so these have not been captured in 2023 reporting. In 2024, we plan to complete all audits by the end of October.
Number of full value chain in-country human rights impact assessments completed	0	1	During 2023 we completed one human rights impact assessment in Brazil (see page 13 for further details). This builds on the human rights impact assessment completed in Thailand in 2020 taking our total completed assessments to two.
% employees completing human rights training	99%	99%	Annual training data each year is snapshot data at a point in time. The annual training is delivered into 2024 and captured during mid March at 99%.

[See our Basis of Reporting](#) for further details on the methodologies associated with these KPIs

Looking Ahead

Over the last few years, we have improved our understanding of human rights impacts within our value chain, strengthening our work to safeguard those by leveraging our business scale.

We have focused on modern slavery, where we have strengthened our policy requirements, monitoring and remediation activity to better identify, prevent and address modern slavery where we find it. Where instances of modern slavery have been identified, we have acted independently or through partners to ensure those impacted gain access to remedy. This includes tackling passport retention within the Middle East and Malaysia, and reimbursing recruitment fees to migrant workers in Malaysia. We recognise that modern slavery is a systemic and complex issue in many parts of global supply chains. We remain committed to identifying and addressing modern slavery in all its guises.

We recognise the need to evolve our approach to human rights to drive long-term systemic change. This will involve blending our focus on compliance with an increased drive for positive impact where there are systemic or potentially cultural barriers to human rights. Examples will include work on sustainable livelihoods, equality, migrant labour forces and working hours. With our partners, our suppliers and civil society, we're well placed to influence and create this impact, given the nature of our business and brands.

Audits and assessments will continue to be part of our approach, but we'll also use other tools and ways to engage, while keeping people at the heart of our activity. Audits, together with our capacity-building activity, show promising results over time, with our suppliers' performance improving as their understanding of labour and human rights develops. Coupled with our broader approach of building capacity with suppliers and partnerships with peers, this may help better meet some of the systemic challenges to human rights that exist globally.

Our approach looks at each phase of our value chain and how we can contribute to the salient human rights issues we target. Our innovations and activity over the past two years provide a strong foundation from which we are building momentum for the future and strengthening human rights within our value chain. We will continue to develop our activity and, over the next 12 to 18 months, are targeting:

- **Expanding the scope of our programmes to identify and tackle modern slavery** by engaging more categories of indirect suppliers and distributors. We also aim to further roll out diginexLUMEN to more suppliers to better understand the migrant worker supply chain
- **Deploying effective remediation** where we identify cases of modern slavery and transparently report our findings and actions
- **Expanding the scope of our Human Rights Due Diligence (HRDD)** and conducting at least one more Human Rights Impact Assessment in 2024
- **Supporting suppliers to implement effective site-level grievance mechanisms** using the toolkit developed with Oxfam Business Advisory Service to enable grievances to be raised and effectively addressed close to source
- **Looking beyond audit** to actively identify and address potential human rights impacts before they materialise
- **Promoting and enabling sustainable livelihoods** by continuing and strengthening our work on wages with contractors in various markets, helping them to have sustainable local livelihoods and work towards accreditation as a Fair Wage Employer.
- **Enhancing our sustainable sourcing activities** within our palm oil and latex supply chains to enable a healthier planet and deliver sustainable livelihoods and working conditions
- **Ongoing collaboration and partnership** through industry associations and forums such as AIM-Progress and PSCI to promote human rights and co-create sustainable solutions that make a tangible difference to tackle systemic issues such as modern slavery



Appendix

APPENDIX

Many of our salient human rights issues are largely found within our supply chain, with 80% of our supply chain audit findings concerning health and safety, working hours, fair wages and environment. This appendix provides greater detail and transparency on these four salient issues, split by severity, geographic region and supplier type. We also outline the actions we are taking to tackle these issues within our supply chain.



Appendix Continued

HEALTH AND SAFETY

Health and safety continues to be a consistent challenge within our supply chain accounting for 51% of all audit findings in 2023, which represents a slight (1%) decrease from 2022 but continues our downward trajectory.

This is most likely due to limited understanding of good health and safety management and the fact that health and safety issues are more easily identified through audits.

68% of the health and safety findings were classified as critical or high severity, covering issues such as insufficient fire exits, blocked fire escapes, locked fire exits, and sites not having the required fire safety permits. The majority of findings were in the areas of fire safety, safe chemical handling and worker health and first aid provisions. Noticeably, we did see a significant decrease in the number of findings around employee accommodation fire safety and building maintenance, which have been areas of focus in 2022 and 2023. We focused on working with suppliers on accommodation fire safety where we saw several critical issues within AME and Thailand.

Our packaging suppliers had the highest number of findings, but also the highest number of average findings per audit (5.36, followed by our raw material suppliers at 5.06). When considering the average number of findings by supplier type, it is apparent that these suppliers are less mature in health and safety than co-packers, and distribution and embellishment centres that have been engaged in our programme for a number of years.

At country level, the findings are all in higher-risk regions with the highest number of findings per audit being in India, Mexico, China, Thailand and South Africa. In 2024, we will look at more supplier capability-building workshops to improve supplier understanding at scale.

We are working to improve suppliers' understanding of good health and safety management through our audit and capability-building activities. We will continue to work with these suppliers going forward to build their capacity to deliver sustained improvements in health and safety management.

51%

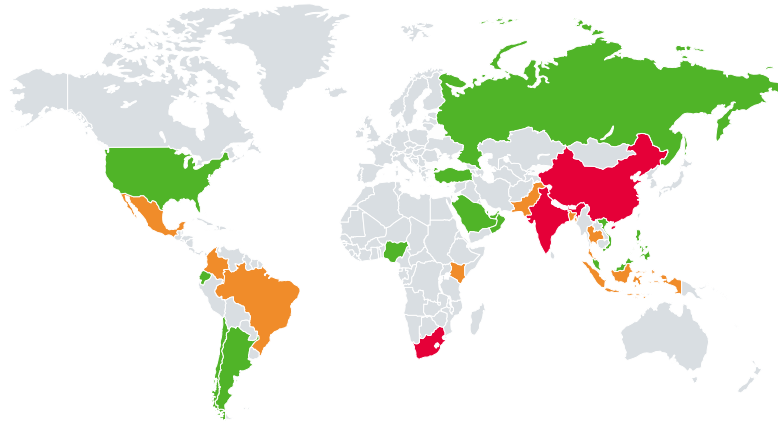
of all audit findings in 2023 relate to health and safety



Appendix Continued

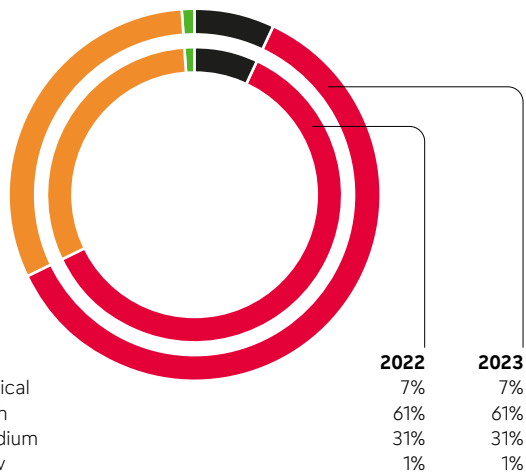
HEALTH AND SAFETY

Non-compliance by country

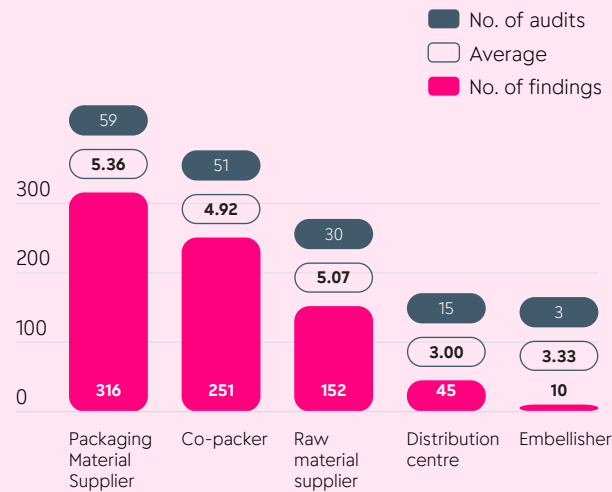


Normalised data	
India	1.00
China	0.39
South Africa	0.20
Pakistan	0.19
Thailand	0.19
Indonesia	0.16
Mexico	0.14
Columbia	0.07
Bangladesh	0.07
Kenya	0.05
Brazil	0.05
UAE	0.04
USA	0.04
Malaysia	0.04
Turkey	0.04
Oman	0.02
Philippines	0.02
Saudi Arabia	0.02
Nigeria	0.01
Chile	0.01
Argentina	0.01
Bahrain	0.01
Ecuador	0.01
Russian Fed.	0.01
Vietnam	0.00

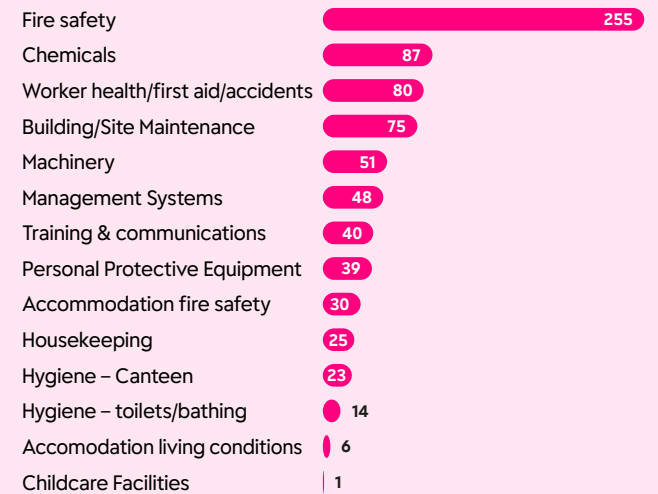
Non-compliance by severity level by year



Non-compliances by supplier type



Non-compliance by subcategory



Appendix Continued

WORKING HOURS

Working hours was another salient issue identified in our scoping and analysis. Due to the nature of the findings, 99% of the findings were classified as high or critical severity. In 2023, the percentage of working-hour findings went up slightly by 1%.

Typically, these were instances where employees worked for 21 consecutive days or more, or where no time records were available for review. The majority of the findings pertained to the number of overtime hours worked which were not compliant with the local law or Reckitt policy, together with insufficient rest days. Several findings noted insufficient or missing working time records (start and finish times for all workers), preventing working hours from being verified. 86% of the working hours contraventions were in these three subcategories.

The majority of findings were identified in raw material and packaging suppliers, despite these two combined groups not having the highest number of audits. Raw material and packaging suppliers are newly included in our Responsible Workplace programme and had seen little or no engagement in this area before, compared to co-packers, distribution and embellishment centres which we have been engaging with for several years, and are therefore more mature in their responsible sourcing journey and understanding of Reckitt requirements. We will continue to focus on improving supplier capabilities and understanding of these issues in 2024 but are pleased to see a reduction in critical findings around working hours.

When we normalise the data by supplier type, it is clear that the majority of challenges are in our raw material and packaging suppliers. At country level, three countries have significantly more findings per audit than the rest, these being China, India and Thailand. These were also the top three countries in 2021 and 2022, which goes to show more work is required. This is due to limited understanding from suppliers and also a significant gap between local legislation and the Ethical Trade Initiative (ETI) base code on working hours. Additionally, there is often weak enforcement in these countries on working hours. We will look to work with industry associations to see if a collective position can be taken on working hours in these regions.

We are looking to increase suppliers' understanding of compliant working hours through our audit and capability-building activities where we have a regional manager in all three of the countries with the most findings per audit around working hours. We will continue to work with these suppliers to build the capacity and deliver sustained improvements in compliant working hours.

90%

of the working hours contraventions were in three subcategories:

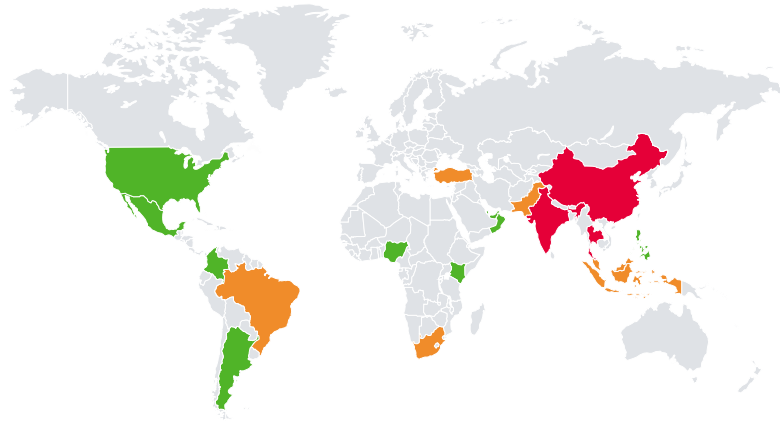
- Level of overtime hours worked
- Weekly rest day(s)
- Record keeping



Appendix Continued

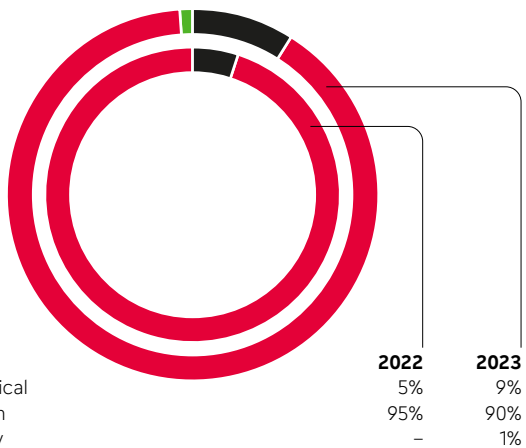
WORKING HOURS

Non-compliance by country

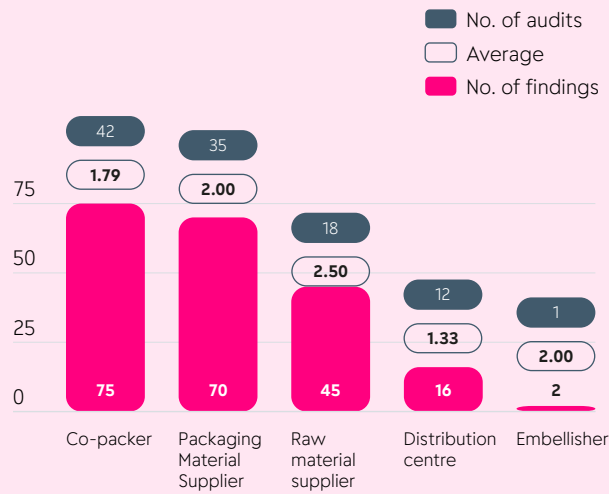


Normalised data	
China	1.00
India	0.75
Thailand	0.45
Malaysia	0.16
South Africa	0.16
Brazil	0.12
Indonesia	0.09
Pakistan	0.07
Turkey	0.06
Mexico	0.04
Kenya	0.03
Phillipines	0.03
UAE	0.03
USA	0.03
Argentina	0.01
Bahrain	0.01
Nigera	0.01
Columbia	0.00
Oman	0.00

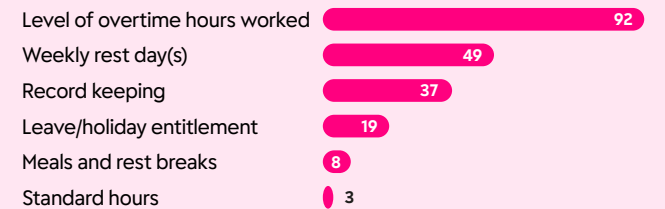
Non-compliance by severity level by year



Non-compliances by supplier type



Non-compliance by subcategory



Appendix Continued

FAIR WAGES AND WAGE PRACTICES

Fair wages are another salient issue identified in our scoping. Ensuring that employees are paid fair and legal wages is paramount and there is a direct correlation between fair wages and other important areas such as working hours and quality of products.

If wages are below the living wage, then employees often work longer hours or have multiple jobs to provide for themselves and their families. This commonly results in more errors, higher employee turnover, higher onboarding and quality costs, and worse employee safety. Sometimes, if there is a local, legally required minimum wage, it may not be paid. In other cases, that local legal wage can still be below a living wage where the regulation lags behind the rising cost of living.

From the findings on wages identified in 2022, 91% were categorised as high or critical severity, which is a slight decrease on the previous year. Typical findings involved a lack of provision for a premium rate of pay for overtime, workers not being paid on time, an absence of payment records and instances where the minimum (legal) wage was not being paid.

The majority of findings (69%) involved benefits (including insurance), payment of minimum or industry wages and accuracy/understandable contracts. This is commonly due to weak enforcement around wage practice. It is added to by limited understanding of this area from suppliers, particularly contract labour agencies working on-site. Most of the findings were identified in our co-packer base, but this was due to a large number of co-packer audits taking place in 2023. It should be noted that the average number of wage-related findings per audit was highest for raw material suppliers and co-packers. India, China and Thailand had the highest number of findings per audit.

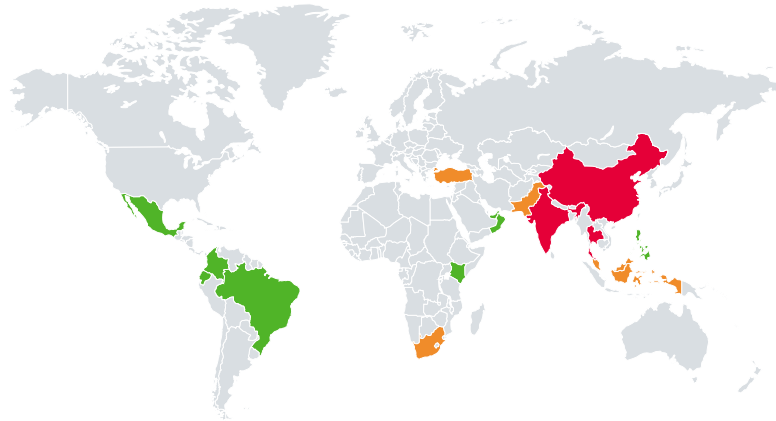
We have been working closely with procurement teams in these countries to support suppliers in moving towards compliant wages. The regional Human Rights team partners with suppliers through audit and collaborative capacity-building activities.



Appendix Continued

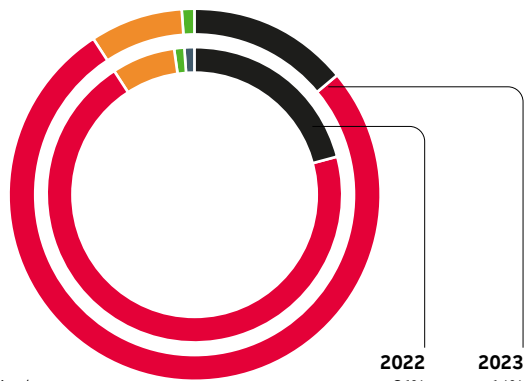
FAIR WAGES AND WAGE PRACTICES

Non-compliance by country



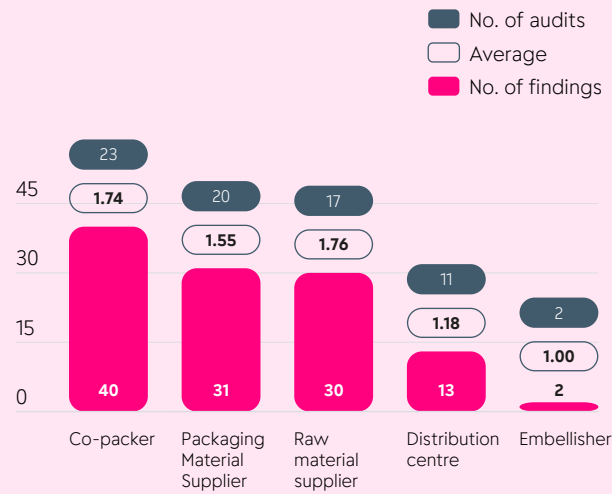
Normalised data		
India	1.00	Philippines 0.03
China	0.36	Ecuador 0.01
Thailand	0.12	Kenya 0.01
Pakistan	0.10	Mexico 0.01
Indonesia	0.07	UAE 0.01
South Africa	0.06	Brazil 0.00
Turkey	0.04	Columbia 0.00
Oman	0.03	

Non-compliance by severity level by year

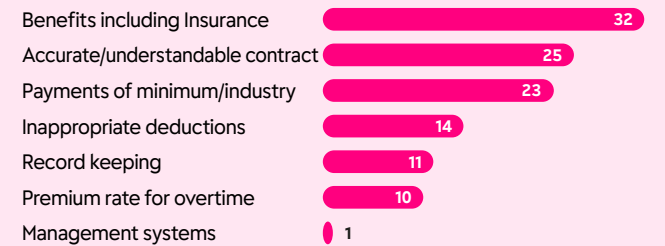


- Critical
- High
- Medium
- Low
- Zero tolerance

Non-compliances by supplier type



Non-compliance by subcategory



Appendix Continued

Globally, Reckitt Benckiser Group plc has numerous policies, processes and programmes in relation to ethics, compliance, human rights and modern slavery that cover multiple subsidiaries and related entities around the world, including RB (Hygiene Home) Australia Pty Ltd and Reckitt Benckiser (Australia) Pty Ltd (Reckitt Australia). The policies, processes and programmes relating to modern slavery and human rights are implemented by Reckitt and applied consistently across the world. Furthermore, due to the global nature of our supply network, suppliers are shared across regions and the procurement teams work together.

This statement was prepared in consultation with a wide range of functions and regions within Reckitt, including the procurement teams that help manage our modern slavery compliance in addition to Reckitt Australia and Australia, who were consulted in the development of this statement prior to publication. It was approved by the Board on **2 May 2023** and by the relevant reporting entities.



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