



A responsible approach across our global value chain



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Acting responsibly every step of the way

We're serious about our responsibilities. We're developing impact measurements throughout our value chain, with a goal of assessing every single step to ensure that we, our suppliers and our suppliers' suppliers are living up to our values and standards.

Our responsibilities begin at the very start of the process – for example, with a tiny rubber tree farm in Thailand producing what will eventually become latex in our Durex condoms, or a Moroccan farm growing organic geraniums whose flowers are part of the fragrances for Airwick air fresheners. And we think beyond ingredients – to the working practices and human rights upheld by our suppliers and business partners, by our own manufacturing operations and the communities around them, and by our customers: global retailers, small independent stores and, increasingly, e-commerce networks.

We do not underestimate the complexity and scale of measuring and understanding our potential impact throughout our value chain. This is a huge undertaking, and we have a long way to go. But we truly believe we can make a difference and help to address some of the most pressing global challenges – like widespread biodiversity loss and labour rights – while supporting our brands and satisfying the increasing expectations of our many stakeholders.

In this insight, we describe our global value chain and the way we manage it to support a sustainable future. Our aim is to protect the ecosystems and the human rights of those living and working throughout that value chain.

OUR SIX MAIN PRIORITIES

These are the key areas within our value chain where we believe we can make the most positive and long-lasting contributions.

- 1. Transparency and traceability**
- 2. Safeguarding the human rights of people throughout our value chain**
- 3. Protecting ecosystems**
- 4. Reducing environmental impacts**
- 5. Animal welfare**
- 6. Partnerships to help deliver impact and scale**

You can find more on these in the following insights: [Human rights and responsible business throughout our value chain](#), [Protecting ecosystems](#), [Product stewardship](#), [Climate](#), [Water](#), and [Social impact](#). More information can be found on how we support our own people in [Our people insight](#).

A responsible approach across our global value chain continued

Working together with our suppliers

Good relationships with our suppliers are essential for achieving the outcomes we're after. We choose our suppliers based on quality, cost, location and compliance with our policies and standards, including our **Human Rights and Responsible Business** and **Responsible Sourcing of Natural Raw Materials** policies. Some of our suppliers are large, multinational companies with substantial business and ethical conduct programmes of their own. Others are small local businesses, often from emerging markets, many with good working practices despite a lack of formal programmes.

Understanding how our entire value chain might negatively affect the environment or human rights remains challenging and complex. Even an ingredient where we have relatively direct relationships with suppliers, such as latex, involves examining those who supply the latex to us, as well as the farmers who tap the liquid latex from the rubber trees on

their plantations. For other materials like fragrances, for example, understanding the origins is also important, because we often don't work directly with the farmers and growers. Instead we work with specialist fragrance developers who create fragrances using botanicals sourced from all over the world – from geraniums in Morocco to lavender grown in Provence, France – and we need to be sure that we understand the ultimate source.

Some of the places where we source our natural raw materials have less formal supply chains dominated by smallholder farms. Establishing traceability in these supply chains is just as important – and means we can contribute better to supporting these farmers. We currently support smallholder farmer programmes in three countries: Malaysia, Indonesia and Thailand.

Understanding the risks in our supply chain

We have reviewed our operational footprint and our supplier base to identify areas at greatest risk from a labour/human rights, health and safety, environmental and business integrity perspective. We used internal and external expertise and considered a range of factors including, for example, country of operation, commodity supplied and sector profile.

We've identified the main areas of risk concern:

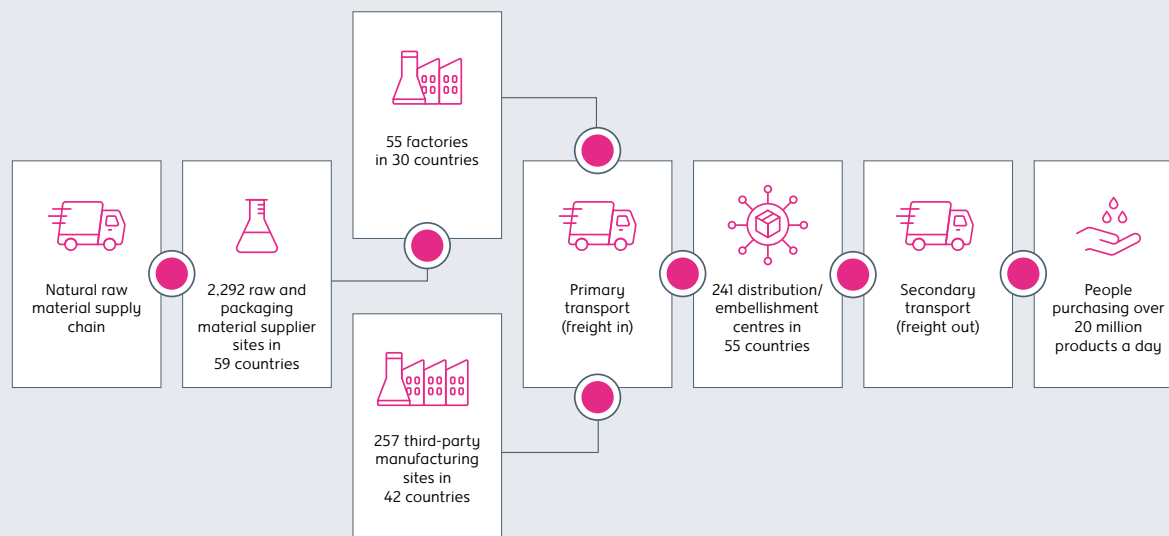
- Fair wages
- Forced/bonded labour
- Health and safety
- Working hours
- Discrimination and equal opportunities
- Freedom of association
- Contract/migrant labour – issues such as excessive recruitment fees, passport retention, poor living conditions, excessive working hours, poor wages, discrimination and poor labour standards.

In addition to these risk areas, the following regions are of particular focus:

- Malaysia and the Middle East, due to the large number of migrant workers.
- Africa and Asia, due to weaker levels of understanding and enforcement.

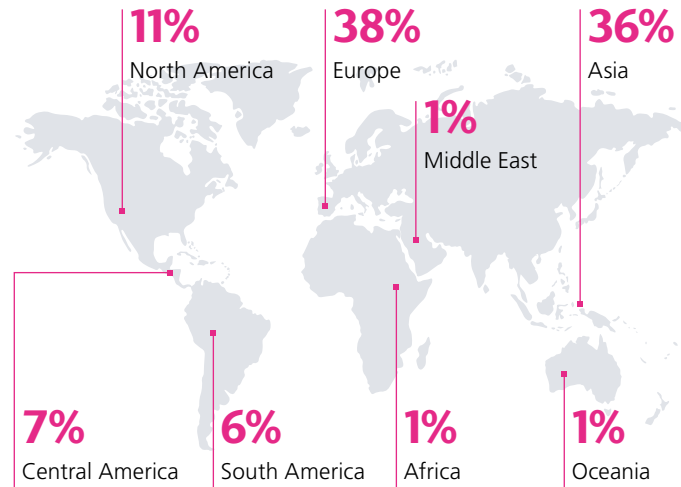
We've identified various types of suppliers as high risk: third-party manufacturers, embellishers, distribution centres and selected raw and packaging material suppliers predominantly located in countries within Latin America, the Middle East, Africa, North and South Asia. Our audit, monitoring and supplier development programmes prioritise these. To help, we keep up to date with publicly available research from a range of external sources and collaborate with NGOs and peer companies to better understand key risks and the best practices to address them.

Our product supply chain



A responsible approach across our global value chain continued

Global distribution of RB's manufacturing facilities, direct suppliers and third-party distribution and embellishment centres



When we consider the natural raw materials we use and the value chains associated with them, we take a similar risk-based approach. This considers risks to the ecosystems themselves, for example through deforestation, water scarcity and intensive farming. Because there are many people living and working within those ecosystems, we also consider the human rights of the people and their communities involved in those value chains.

Currently there are five raw materials in our supply chain that we're focusing on as a priority:

- **Palm oil** – in Southeast Asia, we're working with suppliers to monitor deforestation and establish where conservation efforts are most needed, establishing traceability to the mills and plantations and, within those, safeguarding workers and protecting ecosystems, often through partnerships.
- **Latex** – we're improving standards for plantation workers and smallholder livelihoods in Malaysia and Thailand while protecting ecosystems through our partnerships.
- **Dairy** – our dairy farming suppliers are typically based in western Europe, Australia, New Zealand and the US. We're focusing on animal welfare and effective environmental action through the Sustainable Dairy Partnership (SDP).
- **Natural fragrance** – we focus on traceability in informal supply chains to protect ecosystems, often in challenging locations where infrastructure and support are limited and working through our partnerships with suppliers.
- **Timber** – used in our paper and cardboard for packaging, timber can be from many sources, so we use internationally accepted certification schemes as an effective tool to avoid deforestation. We also use recycled paper to reduce the amount of virgin paper from newly cut forest plantations.

We're in the process of embedding our policies and standards with the suppliers of these priority materials. This is an important step towards making sure our business is equipped to source natural materials that will bring sustainable benefits to the whole value chain, as well as to our consumers. For more on these raw materials, see our [Protecting ecosystems insight](#).

Listening to our stakeholders

Reporting effectively across our many sustainability issues and providing regular updates on our programmes and activities is always a work in progress. So we appreciate your feedback – what should we keep doing, and where can we do better?

Email us at sustainability@rb.com.

Or write to: The Sustainability team

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