HEALTH · HYGIENE · HOME

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Context-

The RB Trees for Change programme launched in 2006 because we believe it is important to actively mitigate our company's impact on climate change. The purpose of the Trees for Change programme is to plant enough trees to take in the same amount of carbon dioxide as our manufacturing operations will generate from 2006 to 2017, effectively making our manufacturing operations carbon neutral over this period. The project focuses on converting land used, or previously cleared, for cultivation back to forest. Since 2006, we have planted and maintained over 8 million native trees. In 2015, we planted 1,303,000 trees.

Scope

Our approach for the carbon dioxide sequestered by the trees we planted between 2006 -2015 accounts for carbon transfer between the following:

- Aboveground live biomass.
- Belowground live biomass.
- Deadwood.
- Litter
- Soil organic matter.
- Emissions into the atmosphere.

We have adopted a methodology to align with the Intergovernmental Panel on Climate Change's Good Practice Guidance for Land Use, Land-Use Change and Forestry (LULUCF) projects (2003). Our approach to quantifying initial carbon stocks is based on Canada's National Forest Inventory Ground Sampling Guidelines (2004) and we carry out sampling at each of our sites prior to planting. The approach we use for the projection of future carbon stocks models tree growth, based on the number and species mix planted, over 100 years. The operational-scale carbon budget model of the Canadian Forest Sector (CBM-CFS3) is used for the modelling. The methodology also uses the Tree and Stand Simulator II (TASS II) to derive yield tables based on site indexes and the species planted and this information is input into the model. This method was applied to trees planted between 2006 and 2015. In the absence of the project it can be reasonably assumed that agricultural activities would be net emitters of GHG. However a conservative decision was taken to use a baseline of net zero GHG emissions, which means we only take into account carbon sequestered by the trees we plant and not the emissions that have been avoided by the land use change.

Statement of alignment -

We confirm that Reckitt Benckiser has designed and implemented methodology to align with the Intergovernmental Panel on Climate Change's Good Practice Guidance for Land Use, Land-Use Change and Forestry (LULUCF) projects (2003) for its Trees for Change programme.

The accompanying description fairly presents details of the IPCC GPG LULUCF together with the related Reckitt Benckiser policy, processes and controls activities in operation for the year ended 31 December 2015.

The directors of Reckitt Benckiser shall be responsible for the statement and the description and the policy, processes and control activities designed to align with the Good Practice Guidance.

Independent Practitioner's Assurance Report to the directors of Reckitt Benckiser plc (the "Company") in respect of the Company's Response to the Good Practice Guidance for Land Use, Land Use Change, and Forestry of the IPCC (the "Procedure")

We have carried out an assurance engagement in respect of the Company's Response to the Good Practice Guidance for Land Use Change and Forestry (GPG LULUCF) published by the Intergovernmental Panel on Climate Change (IPCC).

Our work has been undertaken so that we might state to the directors of the Company, those matters we are required to state in an independent assurance report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the board of directors and the Company for our work, for this report, or for the conclusion we have formed, save where expressly agreed in writing.

Respective responsibilities of the Company and the Practitioner
The directors are responsible for ensuring that the Company designs, implements, operates and monitors compliance with the Procedure. They are also responsible for preparing this statement of adherence to the Procedure. Our responsibilities for this engagement are established in the United Kingdom by our profession's ethical guidance and are to undertake an assurance engagement and report in connection with the Company's Response to the Procedure.

Our independence and quality control
We applied the Institute of Chartered Accountants in England and Wales (ICAEW) Code of Ethics, which includes independence and other requirements founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour.
We apply International Standard on Quality Control (UK & Ireland) 1 and accordingly maintain a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.
Our work was carried out by an independent and multi-disciplinary team with experience in sustainability, forestry and assurance.

Our approach
We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements other than Audits and Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board. We performed an assurance engagement as defined in the IAASB's International Framework for Assurance Engagements. Our engagement comprised limited assurance only.

The objective of an assurance engagement is to perform such procedures on a selective basis so as to obtain information and explanations which we consider necessary in order to provide us with sufficient appropriate evidence to express our conclusion. The extent of procedures performed is more limited in a limited assurance engagement than for a reasonable assurance engagement, and therefore less assurance is obtained.

Our engagement includes examination, on a test basis, of evidence relevant to assessing the Company's detailed response to the requirements of the Procedure. Further details of our Practitioner's Responses are set out in the subsequent table.

Our procedures were not sufficient to enable us to conclude on the design effectiveness of policies, processes or control activities in place to address the requirements of the Procedure and, accordingly, we do not express an opinion thereon.

Inherent limitations

Processes and control activities designed to address specified objectives are subject to inherent limitations and, accordingly, errors or irregularities may occur and not be detected. Such processes and control activities cannot guarantee protection against (among other things) fraudulent collusion especially on the part of those holding positions of authority or trust. Furthermore, our conclusions are based on historical information and the projection of any information or conclusions to any future periods would be inappropriate.

Conclusions

Limited assurance: Based on the results of our procedures, nothing has come to our attention to indicate that the Company's Response to the requirements of the Procedure, set out in this document as at 31 December 2015, is not fairly stated in all material respects.

PricewaterhouseCoopers LLP
Chartered Accountants
London
13 April 2016

GPG LULUCF and Reckitt Benckiser's Response

The table below sets out the response of Reckitt Benckiser in terms of how it adopts the principles of the IPCC GPG LULUCF. Reckitt Benckiser's responses are set out against the individual sections of the GPG. The accompanying 'Practitioner's Response' summarises the work performed by PwC to validate that the policy statements, process and control activities summarised by Reckitt Benckiser are reflective of working practices. This supports the assurance opinion as documented in section III.

IPCC GPG Section	Criteria	Reckitt Benckiser Response	Practitioner's Comment
4.3.1.1 Introduction	A LULUCF project can be defined as a planned set of eligible activities within a specific geographic location that have the purpose of resulting in net greenhouse gas removals that are additional to those that would occur in the absence of the proposed project. Eligible activities under Article 6 may include afforestation and reforestation, forest management, grazing land management, cropland management, and revegetation. Under Article 12 activities are limited to afforestation and reforestation.	The RB TfC programme is an afforestation project which is undertaken on land that has been used, or cleared for use, for cultivation. The purpose of the TfC programme is to plant enough trees to take in the same amount of carbon dioxide as RB's manufacturing operations will generate from 2006 to 2017.	PwC obtained a copy of the RB Trees for Change Programme methodology applicable for 2006-2015. PwC has reviewed the project plan and overview. The summary statement is consistent with the activities set out therein.
4.3.2.1 Geographic area	It is good practice to specify and clearly define spatial boundaries of the project lands so as to facilitate accurate measuring, monitoring, accounting, and verifying the project. It is good practice, when describing physical project boundaries, to include the following information: - Name of the project area	RB's methodology lists 22 properties within four districts totalling 12,254 ha. Hard copies of the land titles are kept on display at RB's head office. The historical use of the land, maps of the area and geographic coordinates are set out in RB's methodology.	PwC reviewed the relevant supporting documents which contained maps and geographical coordinates of the properties. A sample of land title deeds along with their Property Identification Numbers referenced within the methodology have also been examined. References to the historical use of land have been included in the methodology as

IPCC GPG Section	Criteria	Reckitt Benckiser Response	Practitioner's Comment
	- Maps of the area - Geographic coordinates - Total land area - Details of ownership - Land use and management history A method for accurately identifying/delineating project boundaries should be used. There should also be a process for including/removing land areas over the course of the project.		set out in the RB response.
4.3.2.2 Temporal boundaries	Temporal boundaries, which are defined by the project starting and ending dates, should be set so that the boundaries encompass all changes in carbon stocks and non-CO_2 greenhouse gas emissions and removals that are reasonably attributable to project practices.	RB's Methodology defines the duration of the programme which allows for a consistent comparison between RB's manufacturing emissions and the amount of CO_2 being sequestered by the programme.	PwC reviewed a copy of the TfC methodology document. References to the timeframe and associated justifications have been confirmed to be included.
4.3.2.3 Activities and practices	Steps for identifying greenhouse gas emissions and removals caused by the project include the following: List and describe the greenhouse gas emissions and removals resulting from the primary project practices — e. g. tree planting, crop tillage, changed	RB's methodology lists the sources, sinks and reservoirs for the project, defines the sinks, sources and reservoirs that are related to, affected by or controlled by the project scenario. The removal of enhancements associated with TfC are also included.	PwC reviewed a copy of the TfC methodology document. It sets out the emissions arising due to the implementation and maintenance of the TfC programme. References to the sink have been traced to

IPCC GPG Section	Criteria	Reckitt Benckiser Response	Practitioner's Comment
	forest harvesting, etc. List and describe the greenhouse gas emissions and removals resulting from ancillary practices related to project operation and management—e. g. land preparation, nursery management, planting, thinning, logging—and describe these practices. Evaluate and report the emissions and removals of project-related greenhouse gases (CO2, CH4, and N2O).		calculations of TfC properties.
4.3.3.1 Baseline	The relevant carbon pools and non-CO2 greenhouse gas emissions prior to the start of project activity need to be estimated. This should be done through measurements made on the same site where the project will be developed or using measurements from sites that are considered to be in the same condition, or using simulation models calibrated for local conditions. A projection of the carbon stocks in the relevant carbon pools and non-CO2 greenhouse gas emissions in the project area should be estimated to determine their trajectory without the project activity. This should be done with both or either (1) Peer-reviewed simulation models and/or (2) Control areas where the selected carbon pools and non-CO2 greenhouse gases are measured and monitored over time.	An analysis of existing and alternative baseline scenarios concluded that properties would continue to be utilized for the growing of forage crops or feed grain for cattle, grains or canola (section 4.1). Canada's annual report to the UNFCCC indicates that grasslands used for forage, crops and agricultural soils are net emitters of GHGs (section 5.1). Given the complexities involved with modelling the baseline scenario, the TfC methodology does not model it. Instead, the baseline scenario is considered to be carbon neutral and the CBM-CFS3 simulations are initialized with all carbon pools set to zero, except for the soil pool. The soil pool is initialized with the Luvisolic (western Canada) option. This has a starting value of 66 tC at time zero (section 8.3.1). Due to the cost and uncertainty of monitoring soil carbon, CBM-CFS3 predictions of carbon sequestered in the soil organic matter pool are not claimed by TfC, but CBM-CFS3 predictions of carbon reductions in the soil organic matter pool are deducted from the carbon	The TfC methodology reviewed is consistent the RB response provided. The rational for the assumptions and their application within the calculations are set out in the methodology and associated appendices.

IPCC GPG Section	Criteria	Reckitt Benckiser Response	Practitioner's Comment
		sequestered.	
4.3.3.2 Stratification of the Project Area	It is good practice to collect basic background about the important bio-physical and socio-economic characteristics of the project. This includes land-use history, maps of soil, vegetation, topography and land ownership. A geographic information system (GIS) is useful for integrating the information from different sources. It is also good practice for the project site to be stratified into sub-populations or strata that form relatively homogenous units. This should be carried out using criteria that are directly related to the variables to be measured and monitored, e.g., the change in carbon stocks in trees for afforestation, or soil for cropland management. For pre-stratification of an afforestation/reforestation project, the strata may be defined on the basis of one or more of the following variables: species to be planted, age class, initial vegetation and/or site factors.	The history of the project area's land-use, description of the soil and vegetation along with the approach to stratifying the land of each property is included in the RB Methodology.	PwC has reviewed the RB's methodology, including its approach to stratification and pre-stratification. It has also reviewed the plot maps and note cards used in the Silviculture surveys and prescription fieldwork. Data use in the model has been examined, including methods by which areas have been stratified. RB's Response is consistent with the observations from the review activities undertaken.
4.3.3.3 Selection of Carbon Pools and Non-CO2 Greenhouse Gases	The project should (i.e. it is mandatory) include all the pools where LULUCF considers that "the change in this pool is likely to be large and should be measured". The project can (i.e. subject to the specifics of the project) include all of the pools where the guidance	The RB trees methodology lists the sinks, sources and reservoirs that are relevant to the project that are controlled, related to or affected by the project. These include the two mandatory pools listed in LULUCF. Of the optional pools, dead standing trees, lying dead wood, and litter and forest floor have also been	PwC reviewed RB's TfC methodology which sets out which of the SSRs are considered to be relevant to the project. All mandatory pools are included and justifications are provided for the choice of optional pools.

IPCC GPG Section	Criteria	Reckitt Benckiser Response	Practitioner's Comment
	considers that "the change in this pool may need to be measured depending upon the forest type and/or management intensity of the project". Provisions can include that all pools that are expected to decrease as a result of project activities must be measured and monitored, or that all pools that are expected to increase need not be measured and monitored.	included.	
4.3.3.4 Sampling Design	It is good practice to define the sample size for measuring and monitoring in each stratum on the basis of the estimated variance of the carbon stock in each stratum and the ratio of the area of the stratum to the total project area. It is good practice to locate them systemically with a random start. In the case of projects where planting of trees may occur over several years, it is good practice to measure and monitor carbon stocks and non-CO2 greenhouse gases in age-class cohorts, treating each cohort as a population. It is recommended to combine no more than two or three age classes into a one-cohort class. For monitoring forests using permanent plots, it is good practice to measure the growth of individual trees at each time interval, keeping track of	The RB Methodology uses the Stand Development Methodology (SDM) system that is used in British Columbia (B.C.) to monitor forest health and compare actual plantation growth to modelled growth. Permanent sample plot locations are randomly selected from possible locations assigned by a 50 x 50 metre grid, these sample plots account for 10% of the strata in a property. Temporary sample plots are used to monitor live biomass Many of the strata have trees of different ages as a result of natural regeneration and fill-planting. Each property has been assigned an establishment date, based on the first year of planting. When merging yield tables they are referenced to the property establishment date Soil carbon is only monitored where modelling indicates	PwC has reviewed the application of the SDM within the TfC methodology. Relevant sections within Forests, Lands and Natural Resource Operations Stand Development Monitoring Protocol have also been reviewed, and the methodology documents have been confirmed to include the elements set out in the RB response.

IPCC GPG Section	Criteria	Reckitt Benckiser Response	Practitioner's Comment
	survivors, mortality, and growth of new trees. For soil or non-forest vegetation the changes in carbon content are best quantified by means of the Reliable Minimum Estimate approach or by directly calculating the difference between the means and associated confidence limits. It is recommended to use permanent nested sample plots containing smaller sub-units of various shapes and sizes, depending on the variables to be measured. The size of the sample plot is a trade-off between accuracy, precision, and time (cost) of measurement.	a decrease in soil.	
4.3.3.5 Field Measurements and Data Analysis for Estimating/ Modelling Pre-project Carbon Stocks	See 'Field Measurements and Data Analysis for Estimating/Modelling Future Carbon Stocks', shown below.	The TfC programme is not making a claim for the cessation of the baseline scenario emissions due to the project, but is conservatively treating the baseline scenario as being carbon neutral.	The TfC methodology sets out the assumption and associated rational for the carbon neutral baseline, consistent with the RB response.
4.3.3.5 Field Measurements and Data Analysis for Estimating/	It is good practice to use standard techniques for field measurements of vegetation and soil. Any good practice method that requires ground-based field measurements should have a formal quality control plan.	The Trees for Change Methodology describes in detail the approach of calculating: *Above Ground Live Biomass – Trees and Non-tree Vegetation*	PwC has reviewed the TfC methodology for calculating Above Ground Live Biomass, Below Ground Live Biomass, Dead Organic Matter and Soil Organic Carbon. The TfC methodology also provides a

IPCC GPG Section	Criteria	Reckitt Benckiser Response	Practitioner's Comment
Modelling Future Carbon Stocks	For field measurements of carbon pools, the recommended sample unit is a permanent sample plot of nested fixed radius subplots. All the biomass in field measurements must be expressed on an oven-dry basis and converted to carbon by multiplying the oven-dry matter values by the carbon fraction of dry biomass. A value of 0.50 should be applied if no local values are available. *Above Ground Live Biomass – Trees and Non-tree Vegetation* When using permanent sample plots it is good practice to use allometric equations (as opposed to biomass expansion factors) to estimate above ground biomass in trees. Herbaceous plants in forest understorey can be measured by simple harvesting techniques of up to four small subplots per permanent or temporary plot. *Below Ground Live Biomass – Trees and Non-tree Vegetation* For trees, it is good practice to estimate belowground from estimated aboveground biomass. For non-tree vegetation, it is not possible to estimate belowground biomass from aboveground biomass data and therefore, on-site measurement may be required.	*Below Ground Live Biomass – Trees and Non-tree Vegetation* *Dead Organic Matter – Litter and Deadwood* *Soil Organic Carbon* The TfC monitoring programme has three components: Monitoring the early establishment and survival with Silviculture surveys, Monitoring live biomass with a system of temporary sample plots, Monitoring dead biomass on permanent sample plots.	detailed explanation of RB's monitoring programme. The RB response provided is consistent with the methodology documentation reviewed.

IPCC GPG Section	Criteria	Reckitt Benckiser Response	Practitioner's Comment
	Dead Organic Matter – Litter and Deadwood Litter can be directly sampled using a small frame, usually encompassing an area of 0/5 m^2 When the quantity is expected to be a relatively small proportion of the aboveground biomass (approx. 10-15%) it is good practice to use the line-intersect method with at least a 100m length of line. When a relatively large proportion of the aboveground biomass (approx. > 15%) it is good practice to do a complete inventory of the wood in a sampling plot. *Soil Organic Carbon* When assessing soil organic carbon it is good practice to do the following: 1) Collect a composite sample in each plot and depth. 2) Measure the soil carbon pool to a depth of at least 30 cm, and 40 cm where deep-rooted plants are present. 3) To use the dry combustion method to analyse the carbon where soil carbon is expected to be a significant aspect of the project.		
4.3.3.6 Estimating	In general, it is recommended to estimate the net greenhouse gas emissions and removals with	The RB Trees for Change methodology identifies & outlines the sinks, sources and reservoirs relevant to	The RB methodology indicates that all non-

IPCC GPG Section	Criteria	Reckitt Benckiser Response	Practitioner's Comment
Changes in Non-CO2 Greenhouse Gas Emissions and Removals	project-specific activity data and site-specific emissions factors.	the project which were determined with guidance from ISO 14064-2 (2006), the FCOP (MOE, 2011), LULUCF Guidance for GHG Project Accounting (WRI, 2006) and IPCC GPG for LULUCF (IPCC, 2003). It was concluded that carbon in live above ground biomass, live below ground biomass, deadwood and litter were deemed relevant. Due to the cost and uncertainty in monitoring soil organic matter, it is included if modelling indicates a reduction, but excluded if modelling indicates an increase. All other emissions were omitted as they were less than 1% of carbon sequestered by the project and therefore deemed "de minimis" (sections 8.5 and 8.6).	CO2 greenhouse gas emissions are determined to be either immaterial or not relevant to the project.
4.3.3.7 Monitoring Changes in Greenhouse gas Emissions and Removals from Project Operation Practices	Project operators need to determine and report the greenhouse gas emissions from direct fossil fuel and electricity use in mobile and stationary equipment. For the use of vehicles a fuel-based approach or a distance-based approach has been used.	The RB Trees for change methodology outlines the impacts of fossil fuel combustion linked to the programme. Due to this being less than 1% of the CO_2e sequestered by the project is considered "de minimis".	The TfC methodology and supporting documents reviewed set out RB's calculations for the emissions due to the implementation and maintenance of the TfC programme. This is consistent with the response provided.
4.3.5.8 Considerations for the	Where a project involves multiple small-scale land owners, it is good practice to develop monitoring protocols for the project level, and then to develop	The Trees for Change Methodology describes the monitoring plan for both the short and long-term activities for each property.	PwC reviewed a copy of the TfC methodology document. It provides a detailed explanation of RB's monitoring

IPCC GPG Section	Criteria	Reckitt Benckiser Response	Practitioner's Comment
Monitoring Plan	indicators that can be monitored at the parcel level to ensure project-level performance. The frequency of monitoring should take into consideration the carbon dynamics of the project and costs involved. It is important that through time comprehensive checks are made to ensure that the overall project is performing the same way as the plots. This can be accomplished through third-party field verification. It is good practice for project developers to produce such indicators that can be readily field-verified across the project area.	Permanent sample plots are established prior to any project activity and re-measured at predetermined intervals. Permanent sample plots are monitored to check actual versus predicted change in dead woody debris, forest floor and soil carbon over time. TfC team members monitor plantation health and vegetative competition in order to detect emerging problems.	programme, including its approach to monitoring the PSPs and is consistent with the Response provided.
4.3.4.1 Procedures to Ensure Reliable Field Measurements	It is good practice to develop Standard Operating Procedures for each step of the field measurements, which should be adhered to at all times. To ensure the collection of reliable field data, it is good practice to ensure that: • Field-team members are fully cognisant of all procedures and the importance of collecting data as accurately as possible. • Field teams install test plots if needed in the field and measure all pertinent components using the SOPs. • All field measurements are checked by a	The fieldwork for Silviculture prescriptions is carried out by the qualified TfC Team members. The TfC project survey methodology used is as described in the B.C. Silviculture Survey Procedures Manual.	PwC has reviewed the team's qualifications and experience, and held discussions to walkthrough elements of the TfC methodology with key individuals. The supporting documents reviewed referenced the B.C. Silviculture Survey Procedures Manual. The RB response is consistent with the review activities undertaken.

IPCC GPG Section	Criteria	Reckitt Benckiser Response	Practitioner's Comment
	qualified person in cooperation with the field team and correct any errors in techniques; • A document is filed with the project documents that show that these steps have been followed. The document will list all names of the field team and the project leader will certify that the team is trained; New staff are adequately trained.		
4.3.4.2 Procedures to Verify Field Data Collection	To verify that plots have been installed and the measurements taken correctly, it is good practice: - To re-measure independently every 8-10 plots, is re-measured independently and compared to the measurements to check for errors. Any errors found should be resolved, corrected and recorded. - To independently check 1-20% of the plots at the end of the field work. Field data collected at this stage will be compared with the original data.	The quality assurance (QA) inspections of the Permanent sample plots installations for the 2013 soils and vegetation sampling have been completed in accordance with contract specifications.	PwC reviewed a copy of the TfC methodology document. Examples of the RB in-house quality control system are consistent with the response.
4.3.4.3 Procedures to Verify Data Entry and Analysis	Reliable carbon estimates require proper entry of data into the data analyses spreadsheet. Possible errors in this process can be minimised if the entry of both field data and laboratory data are reviewed using expert judgement and, where necessary, comparison with independent data to ensure that the data are realistic.	Uncertainty in the data is reduced by using GPG for Silviculture survey methodology, Permanent sample plots design and Biogeoclimatic Ecosystem Classification	References to the uncertainty, and methods implemented to reduce it are referenced in the TfC methodology.

IPCC GPG Section	Criteria	Reckitt Benckiser Response	Practitioner's Comment
4.3.4.4 Data Maintenance and Storage	Copies (electronic and/or paper) of all field data, data analyses, and models; estimates of the changes in carbon stocks and non-CO2 greenhouse gases and corresponding calculations and models used; any GIS products; and copies of the measuring and monitoring reports have all been stored in a dedicated and safe place, preferably offsite.	RB holds hard copies of all land purchase agreements in its headquarters in Slough, UK. All other documents are held electronically on RB's secure server. A full list of the documentation stored is set out in RB trees methodology.	PwC has reviewed a sample of land purchase agreements and a cross-section of the relevant electronic data that's held on RB's server. The RB response is consistent with the review activities conducted.
Section 5	Identifying Uncertainty in Estimating/Modelling Carbon at Age 100 and Avoidance of Over-estimation	The Trees for Change Methodology outlines the assumptions, values, procedures and actions that have been implemented to ensure that the TfC programme not only has identified uncertainty in the estimating and modelling of carbon (Section 2.3), but also have reduced the risk of over-estimation (sections 4.3 & 8.4).	The RB response set out to address uncertainty in estimation and modelling are out of scope and no further review activities have been conducted by PwC beyond those set out previously.