

RECKITT BENCKISER GROUP PLC
SCHEDULE OF RESERVED MATTERS FOR THE BOARD
As amended on 15 November 2016

The following are matters reserved for the Board:

STRATEGY AND MANAGEMENT

- Responsibility for the overall leadership of Reckitt Benckiser Group plc (the “Company”) and its subsidiaries (together, the “Group”) and setting the Group’s values and standards.
- Responsibility for ensuring that the necessary financial and human resources are in place for the Group to meet its objectives, including ensuring that the Group’s obligations to its shareholders and others are understood and met.
- Approval of Group strategic aims and objectives.
- Approval of the Group’s business principles and values.
- Final approval of the Company/Group’s annual operating and capital expenditure budgets and corporate plans and any material changes to them, to include cash flow.
- Review of performance in the light of the Company/Group’s strategic aims, objectives, business plans and budgets and ensuring that any necessary corrective action is taken.
- Extension of the Company/Group’s activities into new business or geographic areas.
- Oversight of the Company/Group’s operations ensuring competent and prudent management, sound planning, an adequate system of internal control and assurance, adequate accounting and other records and compliance with statutory and regulatory obligations.
- Any decision to cease to operate all or any material part of the Company/Group’s business.

STRUCTURE AND CAPITAL

- Changes relating to the Company/Group’s capital structure including reduction of capital, share issues (except under employee share plans), share buybacks and major debt financing.
- Major changes to the Company/Group’s management and control structure.
- Major changes to the Company/Group’s corporate structure, including, but not limited to, acquisitions and disposals of shares which are material relative to the size of the Group (taking into account initial and deferred consideration).
- Approval of any major restructuring or reorganisation of the Company/Group.
- Any changes to the Company’s listing or its status as a plc.
- Approval of any proposed alteration to the articles of association of the Company.
- Any action which would require the approval of shareholders.

FINANCIAL REPORTING AND CONTROLS

- Approval of the preliminary announcement of final results, the half yearly report and interim management statements prior to publication.
- Approval of the annual report and accounts including the strategic report, the corporate governance report and directors’ remuneration report, following recommendation from the relevant Board Committees.
- Approval of the dividend policy, declaration of the interim dividend and recommendation of the final dividend.
- Approval of any significant changes in accounting policies or practices that have a material impact on the Group’s results.
- Approval of foreign currency transactions beyond normal trading requirements (e.g. forward purchases to meet trading forecasts over the next 18 months).
- Approval of the Company/Group’s Treasury policies.
- Approval of the Company/Group’s risk management policies.
- Ensuring maintenance of a sound system of internal control and risk management including:
 - approving the Company/Group’s risk approach;

- ensuring there is appropriate management of the Company/Group's principal risks;
- receiving reports on, and reviewing the effectiveness of, the Company/Group's risk and control processes to support its strategy and objectives;
- approving procedures for the detection of fraud and the prevention of bribery;
- undertaking an annual assessment of these processes; and
- on being satisfied that reporting on going concern and longer term viability statements gives a fair, balanced and understandable overview of the Company/Group's position and prospects, approving an appropriate statement for inclusion in the annual report.
- Oversight of the review and assessment of the effectiveness of the arrangements in place for the management of compliance with legal, statutory, regulatory and ethical requirements.
- Oversight of management systems in the risk areas of health and safety, people, the environment and security.

CONTRACTS

- Any increase in, or significant variation in the terms (other than arising from changes in interest rates) of, the borrowing facilities available to the Company/Group, provided that the CEO and CFO may jointly approve additional facilities up to a maximum of £250 million in any one year.
- Acquisitions/disposals of private companies or businesses not within the City Code on Takeovers and Mergers, subject to the following level of delegated authority:
CEO: Up to £50 million
- Approval of capital expenditure projects outside the scope of the approved annual budgets and corporate plans, subject to the following levels of delegated authority:
CEO: Up to £50 million
(Note: the acquisition of leasehold premises or leased equipment is subject to the same limits based on the discounted value of projected lease payments).
- Contracts which are material strategically.
- Transactions of Company/Group subsidiaries within the same constraints.

COMMUNICATIONS

- Ensuring a satisfactory dialogue with shareholders based on the mutual understanding of objectives.
- Calling of general meetings of the Company's shareholders and approval of resolutions and corresponding documentation to be put forward to shareholders at a general meeting.
- Approval of all circulars, prospectuses and listing particulars.
- Approval of press releases concerning matters decided by the Board.

BOARD MEMBERSHIP AND OTHER APPOINTMENTS

- Changes to the Board governance framework including the structure, size and composition of the Board, following recommendations from the Nomination Committee.
- Board appointments or removals, following recommendations by the Nomination Committee, remuneration arrangements and termination payments.
- Ensuring adequate succession planning for the Board and senior management, so as to maintain an appropriate balance of skills and experience within the Company and on the Board.
- Selection of the Chairman of the Board and the Chief Executive.
- Appointment of the Senior Independent Director to provide a sounding board for the Chairman and to serve as intermediary for the other directors when necessary.
- Membership and Chairmanship of Board committees following recommendations from the Nomination Committee.
- Continuation in office of directors at the end of their term of office, when they are due to be re-elected by shareholders at the AGM and otherwise as appropriate.

- Continuation in office of any director at any time, including the suspension or termination of service of an executive director as an employee of the Company, subject to the law and their service contract.
- Appointment or dismissal of the Company Secretary (reserved to the full Board exclusively).
- Appointment, reappointment or removal of the external auditor to be put to shareholders for approval in general meeting, following the recommendation of the Audit Committee.

REMUNERATION

- Determining the remuneration policy for the Chairman, Chief Executive, executive directors and other senior executives, following recommendation by the Remuneration Committee.
- Determining the remuneration of the non-executive directors, subject to the articles of association and shareholder approval as appropriate.
- The introduction of new share incentive plans or major changes to existing plans, to be put to Shareholders for approval.

CORPORATE GOVERNANCE MATTERS

- Undertaking a formal and rigorous annual review of its own performance, that of its Committees and individual directors.
- Determining the independence of non-executive directors in light of their character, judgement and relationships.
- Considering the balance of interests between shareholders, employees and customers, and the impact of the Company's operations on the community and the environment.
- Annual review of the Register of Directors' conflicts of interests.
- Consideration and, if thought appropriate, authorisation of any perceived conflict of interest notified by a director.
- Receiving reports on the views of the Company's shareholders to ensure that they are communicated to the Board as a whole.
- Review of the Company/Group's overall corporate governance arrangements.
- Division of responsibility between the Chairman and Chief Executive (set out in writing).
- Approval of and changes to delegated levels of authority, including the Chief Executive's authority limits (which must be in writing).
- Establishing Board committees and approving their terms of reference, and approving changes thereto.
- Receiving reports from Board committees on their activities.

OTHER

- Approval of high level policies and other material policies which are strategic or reputational.
- Approval of annual charitable donations budget. No political donations will be made.
- Change in situation of registered office.
- Prosecution, commencement, defence or settlement of litigation, or an alternative dispute resolution mechanism if material to the interests of the Group.
- Approval of the overall levels of insurance for the Group including Directors' & Officers' liability insurance and indemnification of Directors.
- Major changes to arrangements concerning the Company's pension scheme.
- Any decision likely to have a material impact on the Company/Group from any perspective, including, but not limited to, financial, operational, strategic or reputational.
- Approval of this Schedule of Matters Reserved for Board decisions.

Matters which the Board considers suitable for delegation are contained in the terms of reference of its Committees. The Board has established Audit, Corporate Responsibility, Sustainability, Ethics and Compliance, Nomination and Remuneration committees of the Board.

In addition, the Board will receive reports and recommendations from time to time on any matter which it considers significant to the Group.

The Board will monitor the effectiveness of this Schedule and will review the Schedule on a regular basis.