



HEALTH ▸ HYGIENE ▸ HOME

purpose
with a passion

Slavery and human
trafficking statement

Reckitt Benckiser Group plc (RB) financial year 2016
As required by section 54(1) of the Modern Slavery Act 2015

CEO's Statement

“At RB, our purpose is to make a difference by providing people with innovative solutions for healthier lives and happier homes.”

Ensuring human rights are respected is fundamental to our core purpose and integral to how we as a business wish to operate. Our public policies concerning human rights clearly articulate the high standards we hold ourselves to and the expectations we have of our suppliers and partners that include freedom from slavery and human trafficking. We do not tolerate slave or trafficked labour and will remediate any violations promptly by collaborating transparently with all appropriate stakeholders.



Rakesh Kapoor
CEO

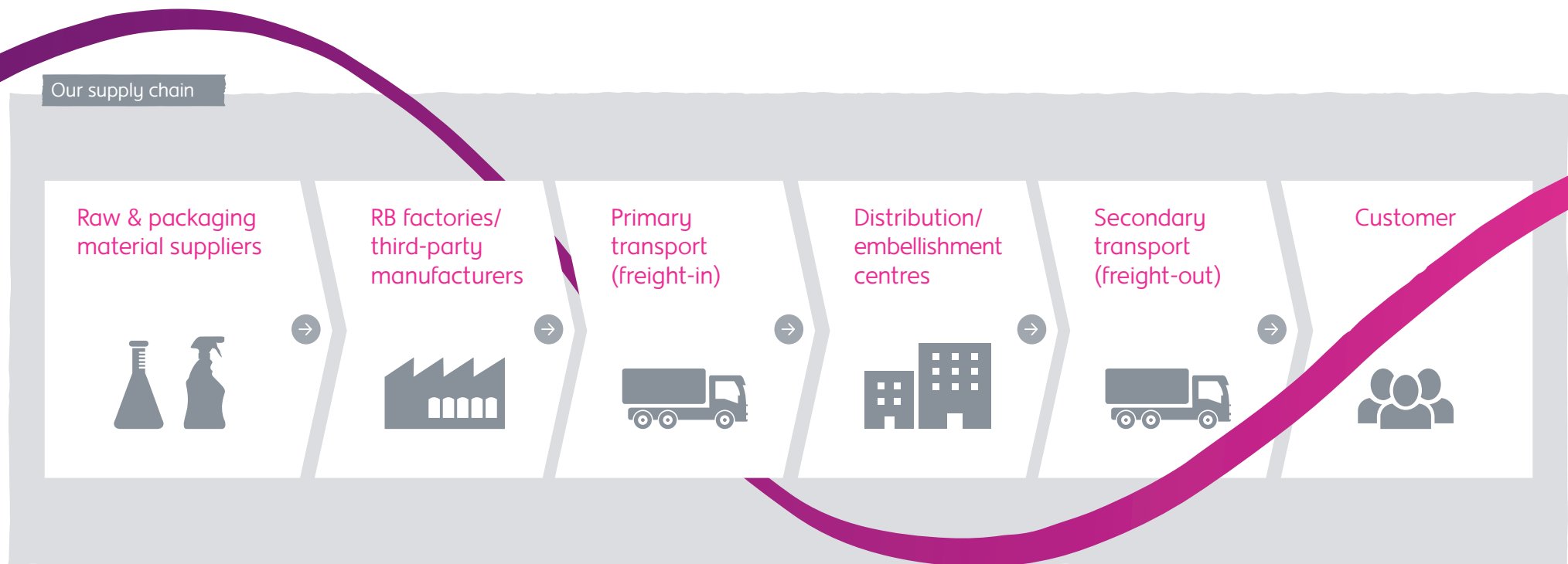


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Our organisational structure, business and supply chain

Reckitt Benckiser Group PLC (RB) is the world's leading consumer health and hygiene company. We have operations in over 60 countries, with headquarters in London, Dubai and Amsterdam, and sales in most countries across the world. The company employs approximately 37,000 people globally. RB is in the top 10 companies listed on the London Stock Exchange.

We have a truly global supply chain, sourcing from 47 of our own manufacturing facilities and a range of suppliers, who provide us with everything from raw and packaging materials and finished goods, through to logistics, warehousing, office services and supplies. Some of our suppliers are large, multinational companies with substantial business and ethical conduct programmes of their own. Smaller, local companies – for example within our Development Markets (DvM) area – may not operate such formal conduct programmes, but can still be excellent suppliers. Our suppliers are chosen based on quality, cost, location and compliance to our policies and standards, including our Policy on Human Rights and Responsible Business, which includes a requirement of no slavery or human trafficking.



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Our policies relating to slavery and human trafficking

RB believes that human rights, which includes freedom from slavery and human trafficking, are an absolute and universal requirement and as such are committed to upholding those rights as expressed in the International Bill of Human Rights and the International Labour Organisation's (ILO) Declaration on Fundamental Principles and Rights at Work. We are also committed to following the Organisation for Economic Cooperation and Development's (OECD's) Guidelines for Multinational Enterprises.

We recognise the important role businesses play in society and the responsibility we have in helping to ensure human rights are respected. Our commitment to respecting human rights is publicly disclosed through our Policy on Human Rights and Responsible Business, which was developed using a range of internal and external expertise and was influenced by the UN Guiding Principles on Business and Human Rights (UNGPs), legislative requirements such as those outlined by this Act, industry best practice and through consultation with peers. This policy applies to all employees, contractors and suppliers of goods and services to RB, and we encourage our suppliers to communicate our requirements within their supply chain. At the start of any commercial relationship, we communicate our requirements to suppliers and integrate the need for them to comply within the commercial contract.

🔗 Read our Policy on Human Rights and Responsible Business [here](#)

We do not accept any human rights violations within our own operations and supply chain. If we cause or contribute to any such impact, we will co-operate in, or provide for, appropriate and legitimate processes to remedy it. We recognise the complexity of human rights issues and the limitations on what we are able to control and influence; therefore, our approach to remediation focuses on stakeholder collaboration and transparency. We believe the best resolution in the interest of improving practices is to work with our supply chain to resolve issues rather than immediately terminating business relationships. However, should we believe a party is not providing appropriate support to remedy issues, we will immediately terminate our business relationship with them.

We also have a specific standard for the responsible sourcing of natural raw materials, which outlines the need to source raw materials in a way that goes beyond applicable laws and regulations, that respects human rights, safeguards health & safety, protects the environment and generally supports the contribution of business to achieving sustainable development.

🔗 Read our Standard for the Responsible Sourcing of Natural Raw Materials [here](#)

Governance

The Executive Vice President of Supply and Senior Vice President of Human Resources are the owners of our Policy on Human Rights and Responsible Business. The Chief Safety, Quality and Compliance Officer, reporting directly to the CEO, is responsible for ensuring the policy remains current and compliance is monitored across our operations and high-risk supplier base through our compliance-monitoring programme. At an operational level, it is the responsibility of every employee within the business to ensure compliance and support our compliance programme. Any breaches of these policies can be confidentially reported through our internal Whistleblower hotline. Board level oversight is provided by the Corporate Responsibility, Sustainability, Ethics and Compliance Committee, who review, monitor and assess our approach to responsible, sustainable, ethical and compliant corporate conduct.



Bart Derde
Chief SQC Officer

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Due-diligence relating to slavery and human trafficking

Risk of slavery and human trafficking within our business and supply chain

We have reviewed our direct supplier base to determine which areas are at greatest risk from a labour, (including slavery and human trafficking), health & safety, environmental and business integrity perspective. This process was conducted using internal and external expertise, with consideration given to a range of factors that included country of operation, commodity supplied and sector profile. Through this process, the following supplier groups were identified as being high risk and in need of further due-diligence: third-party manufacturers, distribution centres and selected raw and packaging material suppliers, predominantly located within our Developing Markets area - Latin America, Middle East, Africa, North and South Asia. We have already commenced due diligence of our operations and supply chain across these supplier groups and geographies, which will continue in 2017.

Our due diligence processes within our organisation and supply chain

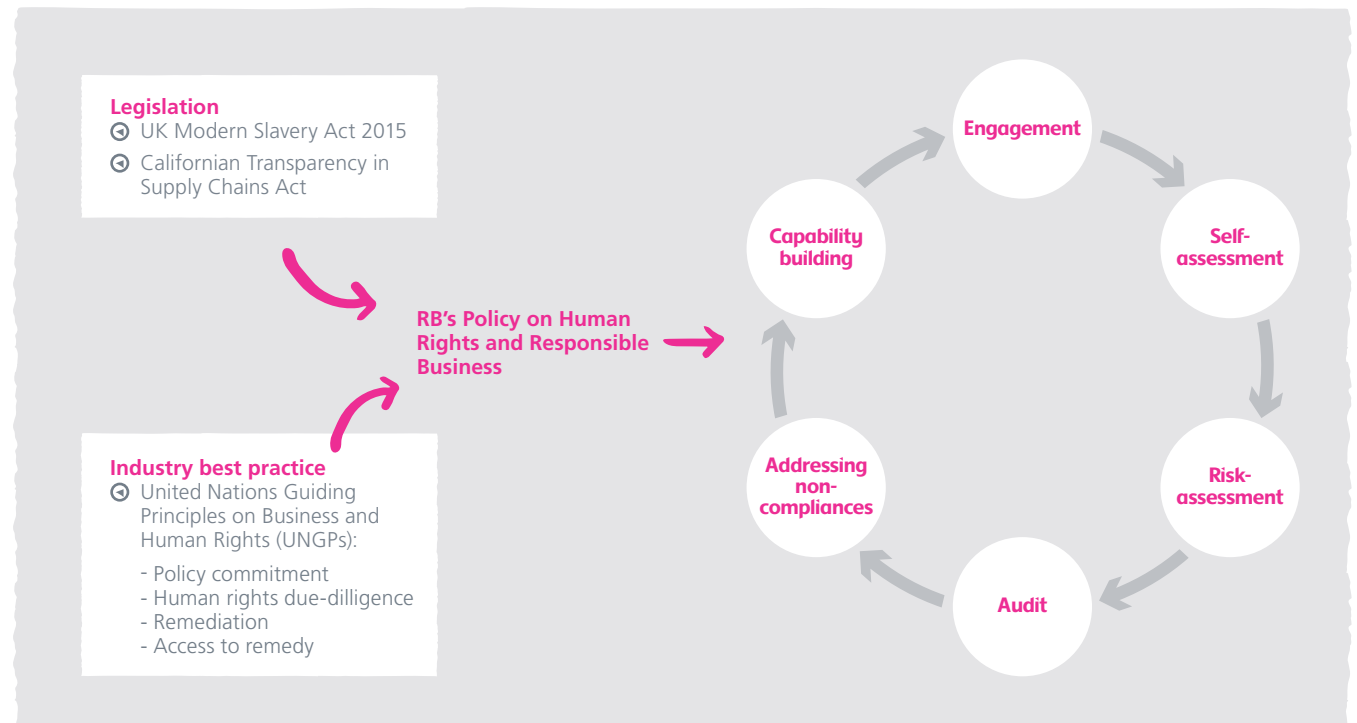
We believe that policies alone are not sufficient in ensuring compliance. Consequently, we have established a proactive compliance monitoring programme focused on continuous improvement to enable us to identify and remediate any deviations from our policy within our business and supply chain. The programme is integrated within the business at all levels and has cross-functional involvement from our global sustainability, procurement, manufacturing, human resources, legal and internal audit teams. The programme is reviewed regularly by our senior leadership team, who participate in and steer our long-term strategy and targets.

Human Rights due-diligence for our internal operations

All our manufacturing facilities and distribution centres are included in our compliance programme and are required to complete an annual self-assessment, with those identified as being high-risk undergoing an unannounced audit. In 2016, we audited 13 of our 31 facilities located

in high-risk geographies, identifying 130 non-conformances with our requirements. The three most common issues identified concerned health & safety (68%), working hours (10%) and remuneration (9%). We promptly remediate any areas of non-compliance and have internal processes to monitor progress. In 2016, 84% of the issues raised were satisfactorily resolved with action plans in place for the remaining issues.

In 2016, we identified two non-compliances with our 'No forced labour' clause at our facility in Bahrain. The issues concerned the withholding of passports without the consent of sub-contracted labour provided by a third party. We identified this through an internal review and immediately remediated the case. This is a common and challenging issue faced by companies operating within the Middle East. Therefore in 2017, we shall be conducting further due diligence of not just our manufacturing facilities, but also offices located within this region.



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Due-diligence relating to slavery and human trafficking (continued)



Human rights due-diligence for our supply chain

To ensure a comprehensive but efficient approach to managing risks in our supply chain, we take a risk-based approach to conducting due-diligence, ensuring our resources are effectively deployed to the areas of highest risk. We are currently focusing on high-risk direct suppliers (all third-party manufacturers and selected packaging and raw material suppliers predominantly located within developing markets) and distribution centres located in developing markets.

2,921

direct suppliers and distribution centers



862

high-risk direct suppliers and distribution centers included in compliance programme



770

sites with a complete self-assessment



126

sites audited

We currently have 862 suppliers included in the programme, amounting to 913 individual sites, of which 84% have completed a self-assessment. Once in the programme, we conduct a site level risk assessment to determine which sites require an on-site audit. Since initiating our supply chain audit programme at the end of 2013, we have conducted 126 audits, the majority of which were at third party manufacturers located in Latin America, the Middle East, Africa, South and North Asia. Through our supply chain audits, we have identified 1,349 non-compliances with our requirements, the majority of issues concerning health & safety (54%), working hours & remuneration (21%), management systems (9%) and environment (7%). Our procurement and sustainability teams directly engage with suppliers to ensure the closure of all issues within appropriate timescales. Of the issues identified, 82% are closed, and we will continue to work with suppliers to close those remaining. No specific incidents of child or forced labour have been identified; however, issues were raised within these areas regarding the absence of policies and processes, which we have worked with our suppliers to develop and implement.

Palm oil

Given the increasing environmental and social concern within the palm oil industry, in 2014 we initiated a palm oil traceability programme in partnership with The Forest Trust.

Learn more about TFT [here](#)

The focus of this programme was to trace the palm oil derivatives we procure back through the supply chain - from supplier to refinery, and subsequently from refinery to mill. In 2015, we achieved traceability to mill for 70% of our palm oil volumes (excluding surfactants). In addition, we conducted on-the-ground compliance assessments at selected mills for all key suppliers. In 2016, we recognised the need to better understand the specific human rights risks linked to palm oil mills and plantations. For this reason, we shall increase our human rights due diligence by enlisting the help of a specialist consultancy to support further assessments focused on human rights within our palm oil supply chain.

For more information on RB's palm oil responsible sourcing programme, see our [approach](#) and [next steps](#)

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Continual improvement

Training and capability building

Raising awareness and understanding of human rights among our people and suppliers plays a crucial part in preventing, identifying and remediating human rights issues. We have implemented a number of initiatives that increase awareness and understanding of human rights and slavery for both our employees and suppliers.

Employees

We have developed mandatory eLearning on our human rights requirements and associated compliance programme for relevant functions and roles involved in supply chain management, of which 85% have completed the training. Our target for 2017 is for all employees to complete appropriate human rights training.

Suppliers

We are members of AIM-Progress, a forum of leading FMCG companies that enable and promote responsible sourcing practices and sustainable supply chains. We actively participate in supplier workshops organised by AIM-Progress and conduct our own workshops to raise awareness and understanding of our human rights requirements within our supply chain. Since 2013, key suppliers and functions involved in supply chain management have attended events in Dubai, India, Mexico, China and Thailand. In 2016, we co-sponsored and actively participated in the AIM-Progress supplier conference in Sao Paulo, Brazil.

🔗 Learn more about AIM-Progress [here](#)



Assessment of effectiveness in preventing modern slavery

We recognise that the human rights debate is a continually evolving one. As such, our approach must be regularly reviewed and updated so that it remains effective. The measures described above provide critical evidence to ensure that we do not have slavery or trafficking across our business and supply chains, and that we have developed supporting internal KPIs for training, audits, reviews and closure of non-conformances.

In 2016, we conducted a review against the UNGPs and identified opportunities to further improve our due diligence and remediation processes. Therefore, in 2017 our plans include:

- Improving oversight of human rights management through our recently established Safety, Quality and Compliance (SQC) function and the Corporate Responsibility, Sustainability, Ethics and Compliance (CRSEC) Board Committee.
- Establishing internal regional compliance resources to work collaboratively with, and audit where necessary, all third-party manufacturers and distribution centres within South Asia, Middle East and Africa to improve oversight and compliance.
- Establishing a partner to externally review and audit our high-risk direct suppliers.
- Undertaking further due-diligence of our operations within the Middle East.
- Continuing proactive engagement with suppliers through physical supplier workshops conducted in partnership with AIM-Progress or independently.
- Requiring all employees to complete compulsory training on human rights to raise awareness of the risks and how they should be managed.
- Reviewing options for how we can improve our supplier grievance mechanisms to implement plans in 2018.

We have made good progress and our plans for 2017 will deliver an important step change in ensuring we do not have slavery and trafficking in our operations and supply chain, providing a solid foundation for continually reviewing and improving our approach to human rights as needed.



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Contacts

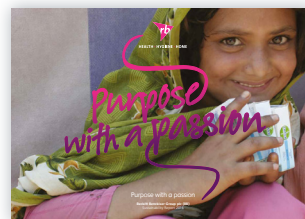
If you have any comments or queries on this report or our sustainability performance, please contact:

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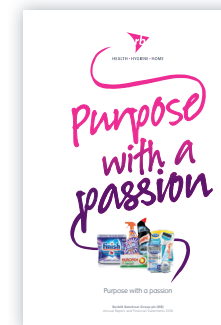
To learn more about **betterbusiness** and
our approach to sustainability read:



[Sustainability Report 2016](#)



[Detailed Sustainability
Report 2016](#)



[Annual Report 2016](#)



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