

## TERMS OF REFERENCE

# Reckitt Benckiser Group plc

(the **Company**)

## CORPORATE RESPONSIBILITY, SUSTAINABILITY, ETHICS AND COMPLIANCE COMMITTEE

Adopted by resolution on 9 November 2018

### A: CONSTITUTION

1. The Board of Directors of the Company (the **Board**) resolved on 28 July 2016 to establish a Committee of the Board to be known as the Corporate Responsibility, Sustainability, Ethics and Compliance Committee (the **Committee**).
2. The Terms of Reference for the Committee outlined below (the **Terms of Reference**) are defined by the Board and may be amended by the Board at any time. The Board resolved on 9 November 2018 to amend the Terms of Reference of the Committee. The Terms of Reference replace in their entirety those adopted on 15 November 2016.

### B. PURPOSE AND DELEGATED AUTHORITY

3. The purpose of the Committee is to support the Board in reviewing, monitoring and assessing the Company's approach to responsible, sustainable, ethical and compliant corporate conduct and to assist the Board in upholding its values of responsibility, honesty, integrity and respect.
4. The Board has delegated the authority set out in these Terms of Reference to the Committee.

### C. SCOPE

5. The scope of the Committee shall extend to such aspects of ethical conduct, corporate responsibility, sustainability, quality, compliance and related policies and procedures as may be appropriate to the long-term success of the Company. For clarity, this includes, but is not limited to: governance; sustainability; human rights; health & safety; product safety and compliance; environmental protection; and compliance with regulations regarding business conduct.

### D. MEMBERSHIP

6. The Board is responsible for the appointment of members to the Committee, for setting the term of members' appointments and for the revocation of any appointments.
7. The Committee shall comprise at least three members. A majority of members of the Committee shall be Non-Executive Directors.
8. The Chairman of the Committee shall be appointed by the Board. If the Chairman is unable to chair the Committee at any meeting, such other person as the Committee determines shall chair the Committee.
9. The Company Secretary or Deputy Company Secretary or his or her nominee shall act as Secretary to the Committee.

### E. ADMINISTRATION

10. The Committee shall meet at least three times per year and at such other times as the Chairman or Secretary shall require.

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11. The quorum shall be two Committee members. A duly convened meeting of the Committee at which a quorum is present shall be competent to exercise all or any of the authorities, powers and discretions vesting in or exercisable by the Committee.
12. Only members of the Committee have the right to attend Committee meetings. However, other individuals may be invited to attend all or part of any meeting as and when appropriate and necessary.
13. The Chief Executive Officer, Group General Counsel, Head of Group Ethics and Compliance, Chief SQRC Officer and Group Head of Internal Audit shall be invited to attend all meetings of the Committee but may be excluded at the Committee's discretion.
14. Outside the formal meeting programme the Chairman of the Committee shall maintain a dialogue with key individuals involved in the Company's governance of corporate responsibility, sustainability, ethics or compliance matters, including the members of any relevant management committees, and shall maintain a regular dialogue with the Chairman of the Audit Committee.
15. The Secretary shall be required to produce papers and minutes of the Committee's meetings as are appropriate, in a timely manner.
16. The agenda, papers and minutes shall be circulated to all Committee members in a timely manner and shall be available on request to the Company's external auditor.
17. Once approved, the minutes and relevant papers shall be circulated to all members of the Board, unless it would be inappropriate to do so and shall be copied to the Audit Committee.
18. The Board shall review the work of the Committee on an annual basis (typically at its July meeting) and, in the interim, the Committee will ensure that the Board is kept advised as necessary concerning proceedings.
19. The Committee shall review on an annual basis its own performance, constitution and Terms of Reference to ensure it is operating effectively and recommend any changes it considers necessary to the Board for approval.

### F. AUTHORITY

20. The Committee is authorised by the Board to:
  - 20.1 investigate and take action in respect of any activity within its Terms of Reference;
  - 20.2 seek any information it requires from any employee of the Company as appropriate in order to perform its duties;
  - 20.3 obtain, at the Company's expense, outside legal or other independent professional advice on any matter within the Terms of Reference; and
  - 20.4 carry out its duties for the Company as appropriate.

### G. DUTIES AND RESPONSIBILITIES

21. The duties of the Committee are to oversee and make recommendations to the executives and the Board for actions to be taken in respect of the Company's corporate responsibility and sustainability, ethics and compliance strategies, policies, programmes and activities as the Committee sees fit, including:
  - 21.1 overseeing the Group's conduct with regard to its corporate and societal obligations as a responsible corporate citizen;

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- 21.2 assisting the Board in fulfilling its oversight responsibilities with regard to the Company's compliance with laws, regulations, adopted codes of practice and internal policies and procedures;
  - 21.3 overseeing, assessing, monitoring and recommending policies, processes and procedures relating to corporate responsibility (including human rights, health and safety and product safety), sustainability and compliance matters (including anti-bribery, competition law, data privacy, trade sanctions, anti-money laundering, regulatory and quality risk assurance and restrictive trade practices) and ethical conduct;
  - 21.4 overseeing, assessing and benchmarking such processes or procedures;
  - 21.5 monitoring and reviewing implementation of and compliance with and enforcement of such policies, processes and procedures, including the impacts on employees, third parties, consumers and communities;
  - 21.6 monitoring and reviewing implementation of and compliance with the Company's Speak Up Policy within the Committee's scope, including receipt and review of any reports;
  - 21.7 monitoring and reviewing the process for risk assessment as regards corporate responsibility (including human rights and product safety), sustainability and compliance matters (including regulatory and quality risk assurance and restrictive trade practices) and ethical conduct;
  - 21.8 agreeing targets and key performance indicators for corporate responsibility (including human rights and product safety), sustainability and compliance matters (including regulatory and quality risk assurance and restrictive trade practices) and ethical conduct and reviewing internal and external reports on progress towards the achievement of such targets and indicators;
  - 21.9 championing further integration and inclusion of corporate responsibility (including human rights and product safety), sustainability and compliance matters (including regulatory and quality risk assurance and restrictive trade practices) and ethical conduct into the current and future business activities of the Company in such a way as to build trust and confidence with relevant stakeholders;
  - 21.10 ensuring all policies are in place and working effectively to build an effective Compliance Programme and protect the Group's reputation both internally and externally; and
  - 21.11 undertaking any other duties as the Board may request, consistent with the purpose of the Committee.
22. As part of its duties under paragraph 21, the Committee will receive and review reports from any management committees in respect of corporate responsibility, sustainability, ethics or compliance (including but not limited to regular reports from regulatory affairs and quality assurance committees or personnel) and investigate and take such action (or direct that such action be taken) or implement such steps as the Committee believes are necessary in relation to any issues raised or reported to it.

## H. REPORTING

- 23. The Chairman of the Committee shall report formally to the Board on its proceedings after each meeting on all matters within its duties and responsibilities.
- 24. The Committee shall make whatever recommendations to the Board it deems appropriate on any area within its remit where action or improvement is needed.
- 25. The Committee shall compile a report to Shareholders, for approval by the Board on its work in discharging its duties and responsibilities during the year, to be included in the Company's Annual Report and Accounts.

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26. The Committee shall review and make recommendations to the Board in relation to the approval of the Annual Sustainability Report and disclosures regarding sustainability issues in the Annual Report.
27. The Committee Chairman shall attend the Annual General Meeting to answer any shareholder questions on the Committee's activities.
28. The Committee shall make available its Terms of Reference on the Company's website.

### **I. TRAINING**

29. The Committee members should receive periodic training (including an induction programme for new members) and be entitled to attend training courses on all and any aspects of corporate governance, compliance, product safety and other corporate responsibility, sustainability, or ethics related matters to assist in the performance of their duties.

### **J. INTERFACE WITH THE AUDIT COMMITTEE**

30. The Audit Committee has a monitoring function in respect of risk management and internal control systems, especially financial controls, but which also includes the assurance framework established by Management to identify and monitor risks identified by the CRSEC Committee. The Committee will liaise with the Audit Committee as appropriate.