



Sustainable innovation

It is essential that our products are designed and produced in a way that maximises the benefit to those who use them while minimising impacts on the environment.

Making progress

Aim

1/3

Net Revenue from more sustainable products by 2020

Status in 2018

18.5%

Net Revenue from more sustainable products

1. Designing more sustainable products

We recognise that good design is crucial for both product use and minimising environmental impacts. This is why we consider sustainability early on in our design process.

2.A sustainable product portfolio

In a world with limited resources, we are committed to 'doing our bit' by designing products with minimal impact on the environment and maximum benefit to the consumer.

1. Designing more sustainable products

We are committed to developing products that make a difference, contributing to enabling healthier lives and happier homes, and better use and maintenance of environmental resources. We design in better ingredients and ways to use our products to reduce the total environmental footprint – all without asking consumers to pay more or lose out on product performance; using fewer or more sustainable materials in their ingredients and packaging as well as requiring less energy and water during use and creating less waste.

RB's Sustainable Innovation App

RB's product developers use our Sustainable Innovation App which identifies the environmental impacts of innovations compared to similar products. The App is a key part of our product development process, comparing the impacts of new products with benchmarks. This ensures we assess all new product innovations and track progress towards our targets. It helps us make informed choices about products to address the carbon footprint, water impact, packaging or ingredients.

Sustainable ingredients

Designing for more sustainable products links with RB's global approach to ingredient management. This controls ingredient use and transparency through online and labelling initiatives. You can find out more about this in our Product Stewardship Insight.



CASE STUDY

Finish in-wash dishwasher cleaner

Finish dishwasher cleaners break down grease and grime build-up in the machine and help reach the optimal working function of the machine by removing residues which can build up on the sprayer arms and hidden parts. Usually, using a dishwasher cleaner requires running the machine on an empty cycle. In 2018, Finish launched an in-wash dishwasher care pouch that can be used during a full dishwasher cycle, avoiding the empty machine run. This helps our consumers to save the energy and water associated with the monthly cleaning cycle, as well as indirectly reducing the energy and water from regular wash cycles by maintaining the dishwasher.

Sustainable innovation continued



CASE STUDY

Redesigned packaging for Durex Play lubricant

We are always looking for ways to optimise our product packaging to reduce the environmental impacts associated with our products. This includes simplifying the number of materials used as well as reducing the amount of plastics. This year, we transformed the packaging for our Durex Play lubricant range, removing the overcap, replacing the multi-component pump by a one-piece flip cap and changing the design of the bottles. Put together, all these changes have resulted in a packaging weight reduction of 50% – a major achievement. This redesign was such a success we rolled it out globally.

To support our new plastics commitments, we are updating the metrics captured in the App to allow us to evaluate packaging changes against these commitments. This allows us to quantify PCR content, recyclability and total plastic weight while being able to aggregate multiple packaging components. We have already incorporated these considerations into the review and sign-off process for new product development.

[Click here for more information about the Sustainable Innovation App in Appendix 2.](#)

[Click here for more information on product stewardship.](#)

[Click here for more information on plastics and packaging.](#)

2. A sustainable product portfolio

We are committed to making our product portfolio more sustainable through innovative products. Our target is to generate at least one-third of our Net Revenue from more sustainable products by 2020. A sustainability target associated with Net Revenue improves our ability to reduce our life cycle impacts with a direct connection to core business. Our Net Revenue from more sustainable products has steadily increased year on year but we are currently behind our plan with 18.5%¹ of Net Revenue from more sustainable products.

¹ Based on a 12-month period from Q4 2017–Q3 2018, and excluding our Infant Formula and Child Nutrition business.

There are two key contributing factors:

- In 2018, we tightened the metrics of our Sustainable Innovation App across ingredients, packaging and consumer (energy) use in line with our reporting criteria. This excluded some projects we had previously included in the list as they no longer met the 10% threshold required (see Appendix 2).
- There was a significant increase in total Net Revenue across the business, which outstripped the increase in sustainable Net Revenue during the same period.

Recognising the contribution that we can make through the products we sell means that we measure many of our environmental metrics across all of our portfolio. There are a number of key issues which are addressed in more detail in other RB Insights.

[Click here for more information on our reporting criteria.](#)

[Click here for more information on plastics and packaging.](#)

[Click here for more information on climate change.](#)

[Click here for more information on water resources.](#)

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Appendix 1: Sustainable products

One-third Net Revenue from more sustainable products in 2020

By 2020, our target aims for one-third of our Net Revenue to come from 'more sustainable' products, measured by our Sustainable Innovation App. The sustainability team works closely with the finance function to track our Net Revenue from more sustainable products to help bolster the business case for sustainability.

Our Net Revenue from more sustainable products was £1,868 million in 2018, up from £1,824 million in 2017 (based on a 12-month period from Q4 2017–Q3 2018 and excluding our Infant Formula and Child Nutrition business). This is equivalent to 18.5% of total Net Revenue, down from 19.4% last year. In 2018 we improved the accuracy of our App across ingredients, packaging and consumer (energy) use, maintaining alignment with our reporting criteria. Re-calculating 2017 results (reported as 19.4%) and accounting for the projects subsequently pulled from our more sustainable project list would give 18.2% for 2017, showing that 2018 still delivered an improvement.

Report year	More sustainable Net Revenue (m)	% More sustainable Net Revenue
2013	£230	3.0%
2014	£350	5.0%
2015	£558	5.0%
2016	£1,193	13.2%
2017	£1,716 ²	18.2% ²
2018	£1,868	18.5% ³

² Re-calculation of 2017 sustainable Net Revenue % following the Sustainable Innovation App accuracy update in 2018. Reported as £1,824 million and 19.4% in 2017.

³ Excluding our Infant Formula and Child Nutrition business.

Sustainable Innovation Calculator	Carbon g CO ₂ / dose	Water Effective water L / dose	Packaging Effective packaging g / dose	Ingredients Self declaration
Better	>10% savings	>10% savings	>10% savings	Complies with RSL + one new 'preferred sustainability credential'
Same	-1.5 - 10% savings	-1.5 - 10% savings	-1.5% - 10% savings	Complies with RSL
Worse	>1.5% increase	>1.5% increase	>1.5% increase	Does not comply with RSL (or variance)

Appendix 2: Sustainable innovation

We use our Sustainable Innovation App to determine if a product can be considered 'more sustainable' and have its revenues count towards our Net Revenue target. The application is a streamlined Life Cycle Assessment (LCA) tool that models the most important environmental impacts of products, including raw materials, packaging and consumer use. To qualify, a product innovation must score better in at least one of the following categories without scoring worse in any others:

- **Carbon** – significant savings (>10%) in grams of CO₂e per dose.
- **Water** – a significant decrease (>10%) of water impact per dose.
- **Ingredients** – adhere to RB's Restricted Substances List and have at least one preferred sustainability credential (Fairtrade or FSC certification, for example).
- **Packaging** – the product must use less packaging overall or use less virgin packaging material resulting in a significant saving (>10%) in the weight of virgin packaging per dose (after subtracting any post-consumer recycled content).

The tool is also used to assess our innovation pipeline so we know what changes are likely to affect our total carbon and water use footprints over the coming three years as products are launched. A network of Sustainability Champions representing each category in their respective markets has been established across the globe to help embed sustainability into the product development process.

[Click here for more information on product stewardship.](#)

[Click here for more information on our reporting criteria.](#)




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Appendix 3: How we operationalise green product design choices for product life cycle stages

Choice of raw materials or components

With our Sustainable Innovation App we model the carbon and water impacts of our products including raw and packaging materials. Also, for a product to be considered more sustainable with respect to ingredients, it must adhere to RB's Restricted Substances List and have at least one preferred sustainability credential. These credentials promote the use of certified natural raw materials (e.g. paper and board) as well as the use of biodegradable, bio-based or natural ingredients.

Our policy and standard on the Responsible Sourcing of Natural Raw Materials applies to all our natural raw materials, whether used in our factories or supply chain. The App also encourages the reduction of resource consumption by including concentrated formulations in the credentials. For packaging, the App encourages increase recycled content. Our Durex Featherlite Ultra condoms are 20% thinner and 25% lighter than standard latex condoms, saving c.5,200 tCO₂e/year across the full life cycle.


 [Click here for more information on responsible sourcing.](#)


Direct operations, production and manufacturing


We aim to minimise impacts from manufacturing processes and products on the environment. We have goals to reduce our GHG emissions, energy use, our water use and impact (including scarcity) and the waste (including hazardous waste) from our operations.

Our Restricted Substances List (RSL) ensures a consistent, global approach to safeguarding our consumers and employees from exposure to ingredients of potential concern. The RSL is a list of ingredients that RB has banned or restricted within our global product portfolio.

 [Click here for more information on product stewardship.](#)

 [Click here for more information on waste from our operations.](#)

 [Click here for more information on climate change.](#)

 [Click here for more information on water resources.](#)

Distribution, storage and transportation

Our Sustainable Innovation App is simplified to exclude transportation, storage and retail as our total carbon footprint reporting shows these contribute less than 5% to the total. However, many of our packaging changes have a positive knock-on effect on transport, where less packaging means less volume and weight to move during distribution.


Use of our products

The use of our products is captured in our App as our water and carbon footprints have highlighted that this is our most significant life cycle stage. To reduce impacts in consumer use, we work to identify both product innovations and behavioural interventions.

Recent product improvements with a lower sustainability impact during the consumer use phase range from more energy efficient devices in Air Wick to easier to rinse hand soaps in Dettol. Innovative packaging of our Dettol Squeezy liquid handwash eliminates the need for a pump to dispense the liquid and the liquid format results in carbon and water impact savings of over 60% per handwash.

End-of-life management

We also design to minimise impacts from end of life. In line with our new packaging commitments, we aim to reduce plastic packaging, incorporate more recycled content and provide best-in-class labelling on pack to ensure our consumers know how to dispose of our product packaging.

 [Click here for more information on plastics and packaging.](#)