

GENDER PAY REPORT 2021

VOLUNTARY REPORTING COVERING 10 MARKETS

Data as of April 2021

OUR GENDER PAY 2021, EXPLORED AND EXPLAINED

A year of progress: an introduction from Ranjay Radhakrishnan, Reckitt CHRO.

Welcome to our Gender Pay Report for 2021. Like last year, we've gone further than our statutory reporting requirements and have published data from 10 global markets: Brazil, China, India, Indonesia, Mexico, Poland, Russia, Thailand, the UK and the USA.

As well as showing and explaining the data, we also explore how we are helping women thrive and succeed within the business.

We've talked to women leaders within Reckitt who explain how the gender inclusion agenda is changing and share their own personal experiences. We've spoken to colleagues who have participated in our inclusion programmes and have told us how it's impacted their career and their enjoyment of work. We've included an expert view to show how Reckitt fits into the current landscape of corporate transparency and workforce reporting. And we've explored how our social impact programmes are making a difference to women in the communities we serve.

"Our median gender pay gap has moved in favour of women (or reduced in favour of men) in the majority of our Reckitt markets, reflecting our continued focus to increase, amongst others, gender representation at management levels."

Our commitment to gender inclusion

Our goal is for gender balance at all management levels by 2030. We know that to reach that ambition, we need to embrace change throughout the organisation and recognise that progress will not necessarily be linear. Supporting this transformation requires:

Leadership commitment – at Board level and throughout senior management is key to driving greater accountability. Diversity and inclusion is a strategic business imperative.

Developing our people – upskilling leaders and managers in terms of inclusivity and behaviours, finding role models, and increasing mentoring and training. All will ensure we continue to attract and retain talented women in our future leadership pipeline.

Purpose-led brands – our internal colleague profile should be similar to the diverse range of our consumers and markets we operate in. Our brands must be advocates for the societal change we want to see.

You'll read more about how we're progressing in our internal and external goals in the pages of this report.

Challenging times drive action, and we are building on our gender inclusion programmes with renewed vigour and input at all levels of the business.



Ranjay Radhakrishnan
Chief Human Resources Officer



THE CASE FOR INVESTMENT IN WORKFORCE DATA

Investors are increasingly reviewing companies' commitment to sustainability, diversity and inclusion when deciding where to place their clients' money. The Workforce Disclosure Initiative from ShareAction is one of the places they go to find out how the corporates measure up.

The Workforce Disclosure Initiative (WDI) was established six years ago by the investment industry in response to growing calls from its clients to choose investments that were not only financially profitable, but answered their clients' concerns around social issues, too. It seeks to provide a framework for increased accountability, improved jobs and, ultimately, better-run companies providing more value to their shareholders.

Reckitt has participated in the WDI for the past four years. In 2019, over 80% of the WDI's investor signatories used the data to influence their investment decisions.

Transparency and performance

Rosie Mackenzie, Senior Company Engagement Manager for the WDI, says the survey has two key objectives: firstly, to improve the quality and quantity of corporate workforce data and, secondly, to ensure investors use the data in their investment decisions and push companies to be better employers.

"The idea is to stretch companies to do better, and to identify trends by sector and geography that enable investors to take governance, diversity and working practices into account when they make decisions on where to invest," she explains.

"Investors have a fiduciary duty to make responsible decisions for their clients and are increasingly paying attention to social as well as financial statistics when choosing where to invest."

"The longer we go on, the more companies learn from the process and try to plug any data gaps they have."

Reliable, independently reviewed data is important for investors: they need to know how the landscape looks as a whole and not solely rely on companies' own reporting.

"Over the years a number of companies have been caught up in workforce scandals while at the same time expressing total confidence in their responsible employment practices," says Rosie.



WORKFORCE DISCLOSURE IN 2021 TRENDS AND INSIGHTS

\$10 trillion

Value of assets under management of the investors that make up the WDI

173 companies

Number of companies that reported in 2021

13 themes

131 questions and 230 data points across 13 themes including:

- Governance
- Risk assessment
- Workforce composition
- Diversity and inclusion
- Workforce wage levels and pay gaps
- Stability
- Training and development
- Health, safety and wellbeing
- Worker voice and representation
- Grievance mechanisms
- Supply chain transparency
- Responsible sourcing
- Supply chain working conditions

25 countries

Includes data from companies in 25 countries and 11 economic sectors

3X data

Companies that report to the WDI are making three times as much data available for scrutiny than those that do not engage with the report

For more information, visit [WDI](https://www.wdi-uk.com).

THE CASE FOR INVESTMENT
IN WORKFORCE DATA
continued

"Gender issues are probably the number one factor for the majority of our investors. Fair pay and working practices between men and women are top of mind."

Fairer society

"Gender issues are probably the number one factor for the majority of our investors. Fair pay and working practices between men and women are top of mind with most investors, perhaps because they're the most straightforward comparisons to make in terms of available data."

The most-reported gender data point in the most recently published survey (2020) was the breakdown between numbers of men and women in leadership. Data for senior management roles was much more available than further down the workforce, indicating that companies are focusing on their leadership functions before moving down the pipeline.

The number of companies participating in the report increases every year, from 34 in 2017, to 173 in 2021. The WDI is beginning to have constructive discussions with more companies in the belief that increased participation by bigger and more prominent companies will influence others to join the drive for greater disclosure.

"From a UK perspective, for the first time, half of the companies in the FTSE 100 took part in the 2021 survey, so the UK figures compare more favourably to the global average," Rosie reveals. "But UK legislation on transparency and disclosure is more advanced, which accounts for some of that, too."

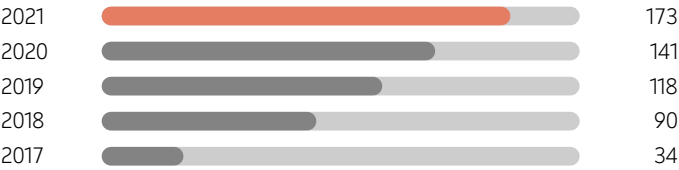
Data not just important for investors

Although the data is designed and presented for use by professional investors, the WDI is looking to make the publicly available data more accessible so that potential employees, customers and other stakeholders can use it to make informed decisions about where they work and who they buy from. Ultimately, companies that do well on the key data points can legitimately present themselves as role models for smaller businesses and leaders in their markets on workforce transparency.

Reckitt is ahead of the curve in reporting on gender pay gaps in 10 global markets, but Rosie says WDI-contributing companies are realising that the requirement for legal disclosure of data is only going to increase, both in terms of markets served and depth of information required.

"Legislation will probably be implemented in most of the developed world in the next decade or so," says Rosie. "Companies are realising they need to get systems in place now to comply with that future requirement. The fact that businesses like Reckitt are pushing things in those other jurisdictions is really helpful."

WDI: number of responding companies from 2017 to 2021



THE CHALLENGES OF GENDER PAY REPORTING

Gender pay reporting is voluntary in the majority of the markets we have featured in this report. Why do we go further than we are legally required, and how does our Gender Pay Report link to our diversity and inclusion goals?

Salma Alloub and Hannah Burns are the two women whose hard work with colleagues globally, above all, has made this report happen. They are the ones who gather and analyse the data about gender pay – not just from the UK, where gender pay reporting is mandated, but also from nine other Reckitt global markets.

Both women are highly valued members of the Reward team at Reckitt. They bring experience in diversity and inclusion to the team, having both studied disadvantaged groups as their dissertation subjects at university.

Salma's career began in financial services, during which time she worked on a project to attract a pipeline of young talent from disadvantaged backgrounds into city-based roles, which are otherwise perceived as out of reach.

She moved to Reckitt in 2018. "This is the first business I've worked in where gender balance and reporting gender pay gaps are key to the company's strategy, rather than a 'nice to have' side project," she says.

Hannah initially worked in fintech and then for an oil business. "Both very male-dominated businesses," she recalls. "I was used to seeing the majority of women in corporate support function roles like HR or finance rather than the front-line roles such as manufacturing.

"I was attracted to work with Reckitt because the role involved working on gender pay and going further than was legally required."

Understanding what gender pay reporting means

How does the Gender Pay Report help Reckitt people understand and appreciate diversity and inclusion? Are there any misunderstandings?

"The report is not the only factor in diversity, obviously, but it's a very important tool," replies Salma. "Adding a narrative to the report, explaining why we're doing it and featuring stories of people who are key to developing policies and strategy, as well as feedback from those who have benefited from this work, helps make sense of the figures.

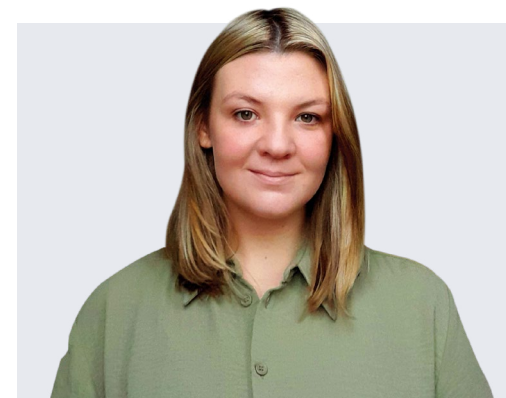
"The key thing we're stressing is that gender pay is not the same as equal pay.

"Gender pay disparity comes about as a result of demographics: how the demographic mix of our leadership compares to the demographic mix of people working in our factories, for example. Like many businesses, we have historically had more men than women in leadership positions, although this is positively changing. Tackling that – making the management more gender balanced – should contribute to a change in gender pay gaps."

"Gender pay disparity comes about as a result of demographics: how the demographic mix of our leadership compares to the demographic mix of people working in our factories, for example."



Salma Alloub
Total Reward Manager



Hannah Burns
Reward Analyst

THE CHALLENGES OF GENDER PAY REPORTING continued

"People are quite surprised when they first see the reports," Salma continues. "It's really not what they're expecting. It shows how important context is, and how cultural differences can have an impact on the gender pay data in different regions."

"That's why it's important to get local input into the report. We in one region may not realise that, in another region, it's not a cultural norm for women to work in a factory, for example. Yet that fact can make a huge difference to actually influencing the gender pay gap within that market."

Gender pay gap reporting in global markets

"Analysing data for different regional markets is tricky," admits Salma. "Gender pay gap reporting is not legislated in all markets, so part of the process is familiarising our counterparts with the requirements – i.e. what it is and why we do it."

"So, it's important to collaborate with and inform colleagues in other markets on the requirements. Not just reporting gender pay, but what that looks like and what it means. It's very involved when you consider we're talking about 10 Reckitt markets. That's a huge amount of data. Not only that, but each market has its own unique Reward/HR processes, payroll system and compensation structures. But we had expert local knowledge to guide us on market practices and there was a great spirit of collaboration with our peers to deliver the project."

Collecting the data is another challenge, as Hannah reveals.

"I'm impressed that the business has stuck with its commitment of voluntary reporting on gender pay through this time of pandemic, both last year and this year."

"Context is important to such reporting. Cultural differences can make a difference in the gender pay data in different regions."

"Pay structures aren't always the same. So expressing salary as an hourly rate based on full-time salary plus allowances enables greater comparison."

For this year's report, Salma and Hannah, together with External Communications colleagues, enlisted the support of the regional leadership teams to help explain and provide the data.

"Explaining why it was so important for transparency, and how it feeds into the company's strategic plan, reiterates how meaningful gender pay reporting is in all regions," says Salma.

And the impact of Coronavirus (COVID-19)?

"I actually joined Reckitt during the pandemic," added Hannah, "and the one thing I'd say is how impressed I am that the business has continued to report on gender pay through this time. In the UK, where it's been mandatory, the legal requirement to report was suspended in 2020 and, this year, companies have been given longer to report the data. It's to our credit that we stuck with the original commitment, increased the number of markets we voluntarily report on from 5 to 10 in the 2020 report published last year, and have stuck with that again this year."

"It's more important now than ever," adds Salma. "COVID-19 has potentially had more of an impact on women than men, with home-schooling and extra caring responsibilities generally falling more heavily on the shoulders of women."

"Failing to track the impact of that in data obscures transparency and awareness of the issues at the exact time they become more pronounced."



GENDER PAY REPORTING EXPLAINED

How to read the Reckitt gender pay report data, and what this year's data tells us.

What do we mean when we talk about 'gender pay'?

Gender pay reporting measures the average pay of all men working at Reckitt and compares it with the average pay of all women within the business, in each of the ten markets.

It is not the same as equal pay. At Reckitt, every man and woman receives equal treatment with others who perform the same work, or work of equal value. This is laid down in UK law by the Equality Act 2010 (UK).

The fact that a gender pay gap exists does not mean that men and women are not paid equally. Differences in gender pay are a result of demographics – the proportion of men and women directly employed by Reckitt in all jobs, at all pay grades.

So, any gender pay gap is because there is an imbalance of women and men at different levels within the company. This typically tends to be in favour of men, because there are more men employed at senior levels within businesses generally. This is something that we are working hard to change at Reckitt, as you will read later in this report.

Cultural norms also have an impact. Traditional views of the roles of women and men have a stronger influence in some societies than in others. Markets in which manufacturing jobs are typically occupied by men, and women are more commonly employed in office jobs, will show a median gender gap in favour of women, as the office jobs tend to be higher paid than manufacturing jobs.

Have there been any changes this year?

Gender pay gap trends are driven by two key factors of workforce demographics: the proportion of men and women employed both in manufacturing and in senior management roles in the markets.

This year, 9 out of 10 of the markets we analysed have continued to follow the same trends we saw in 2020. We can see four broad demographic categories in the markets we have measured:

- A higher proportion of men in senior positions and a higher proportion of women (or a nearly-equal split) among manufacturing staff typically results in the median gender pay gap being in favour of men (China, Indonesia, Thailand)
- A larger proportion of men in both senior roles and manufacturing roles usually shows a median gender pay gap in favour of women and a median bonus gap in favour of men (Mexico, Poland, USA)
- Manufacturing sites dominated by men tend to sway the median gender pay gap in favour of women (Brazil, India)
- More men in senior roles and more women in middle management and manufacturing-site roles result in a median gender pay gap in favour of men and a median bonus gap in favour of women (Russia)

Please see page 27 for more details on the demographic categories in our markets.

Overall, this report shows the median gender pay gap has moved in favour of women (or reduced in favour of men) in the majority of our Reckitt markets.

For more information about UK data, turn to page 9.

Other market data can be found on pages 28-31.

"A gender pay gap exists when there is an imbalance of women and men at different levels within the company. This is something that we are working hard to change."



GENDER PAY REPORTING EXPLAINED continued

Explaining equal pay

Everyone at Reckitt receives equal pay and treatment to others who perform the same work, or work of equal value, whether a man or a woman. This is laid down in UK law by the Equality Act 2010 (UK).

This comprises more than just salary: it covers all contractual terms and conditions of employment, including holiday entitlements, contractual bonuses, pay and reward schemes, pension payments and other benefits.

It doesn't mean that everyone doing the same job always takes home the same pay. People who are more experienced, perform better or are more skilled will typically earn more.

What is the difference between the mean and the median?

It's important to look at both the mean and the median when putting gender pay into context. Both measures help us understand why there is a pay gap and what factors are impacting it.

How we work out the median

If you take everyone in the market and rank them from the lowest earner to the highest, the median person is the one in the middle.

So the median gender pay gap is the difference between the hourly pay of the middle man and the hourly pay of the middle woman.

The median bonus gap is the difference between the annual bonus received by the middle man compared with the annual bonus received by the middle woman.

What we can tell from the mean

Mean is simply another word for average. It's reached by adding up the salaries of everyone employed in the business and dividing that figure by the number of employees.

The mean gender pay gap is the difference between the average hourly pay of all men, and the average hourly pay of all women, employed in each Reckitt market.

The mean bonus gap is the difference between the average annual bonus received by all men, and the average annual bonus received by all women, employed in each Reckitt market.



OUR UK GENDER PAY PERFORMANCE 2021

Our UK statistics reflect all nine of Reckitt's UK businesses¹. You can see a breakdown of these entities on page 34.

The data sets we have used (mean, median and bonus eligibility measures) have been assured (limited assurance) under ISAE (UK) 3000 by our independent assurance provider, KPMG, and reflect the position as at April 2021.

Comparison with 2020

We measure the gender pay gap in two ways. The median looks at the gap between middle-earning men and women across our workforce. The mean is the gap between the average pay of all men and all women.

- In April 2020 the Reckitt UK median gender pay gap was -6.1% in favour of women. In April 2021 the gap had widened to -7.4% in favour of women
- In April 2020 the Reckitt UK mean pay gap was 5.1% in favour of men. In April 2021 it was broadly the same: 5.0%
- The median bonus gap has increased in favour of women from -17.1% in 2020 to -54.4% in 2021
- The mean bonus gap remains in favour of men; however, it has closed from 58.2% in 2020 to 35.6% in 2021

Comparison with the UK national picture

Reckitt's gender pay data continues to compare favourably with the national UK picture, as recorded by the Office for National Statistics (ONS).

Our full- and part-time median gender pay gap is -7.4% compared with 15.4% nationally. Our full- and part-time mean pay gap is 5.0% compared with 14.9% nationally (ONS 2021).

OUR 2021 UK GENDER PAY

Median gender pay gap



Mean gender pay gap



OUR 2021 UK GENDER BONUS

Median bonus gap



Mean bonus gap



Proportion of women and men receiving a bonus payment



EMPLOYEES

Total UK employees²

4,600

Proportion of employees working in manufacturing

21%

Employees working in manufacturing



OUR UK MEDIAN GENDER PAY GAP IN THE LAST FIVE YEARS



1. By law we are only required to report on UK entities employing more than 250 people. However, we disclose figures for all our UK entities for transparency.

2. Headcount data based on total number of active employees (as of 5 April 2021).

*A negative number represents a gender pay or bonus gap in favour of women.

The W icon refers to women, and the M icon refers to men.

Our Reckitt 2021 gender pay data (mean, median and bonus measures) has been independently assured by KPMG. [View here](#)

GENDER INCLUSION IN ACTION



HIGHLIGHTS

CORPORATE DIRECTION



DRIVING DIVERSITY FORWARD



CASE STUDIES

Our pursuit of equality, gender balance and inclusion in pay and opportunities is a natural extension of the principles that we bring to work with us every day.

OUR PURPOSE

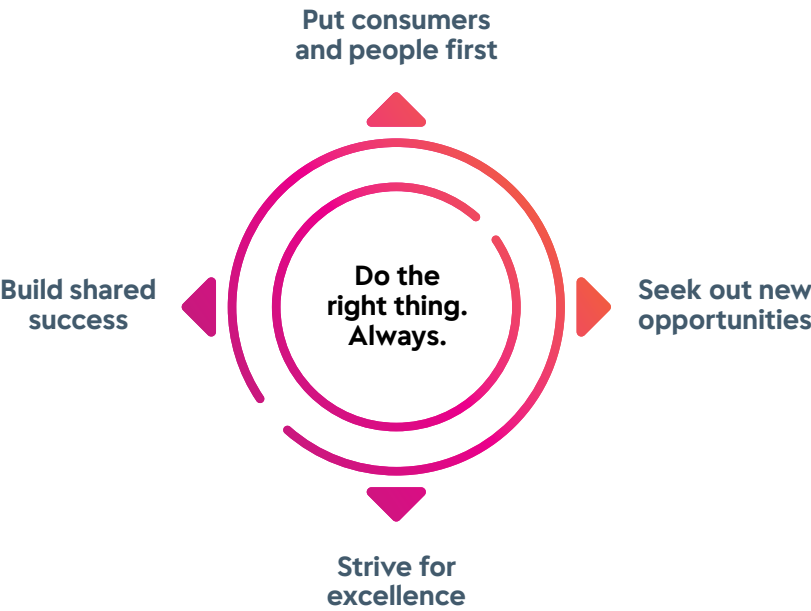
We exist to protect, heal and nurture in the relentless pursuit of a cleaner and healthier world.

OUR FIGHT

We have a fight on our hands. A fight to make access to the highest quality hygiene, wellness and nourishment a right and not a privilege.

OUR COMPASS

Our Compass guides our business. At its heart is the goal of doing the right thing. Always. We put consumers and people first, seek out new opportunities, strive for excellence and join forces to win bigger and build a culture of shared success. Our Compass is fundamental to rejuvenating sustainable growth.



OUR LEADERSHIP BEHAVIOURS

In order to deliver on our ambitions around Purpose and our business strategy, our culture enables our people to have the Freedom to Succeed and operate at their best. Our culture is embedded in our leadership behaviours. These behaviours set out our expectations for how every one of us at Reckitt behaves. They are deeply embedded inside our Company and are the basis for how we evaluate our leaders going forward in line with our desired culture. Reckitt leaders Own, Create, Deliver and Care.

OWN

- Live our Purpose, Fight and Compass
- Know our business cold
- Make decisions

DELIVER

- Focus on what matters
- Move boldly and at pace
- Join forces to win bigger

CREATE

- Spot opportunities
- Innovate, iterate and scale
- Relentlessly build better

CARE

- Actively listen, learn and include
- Speak direct with respect
- Act to unleash potential

SARA HOLTON, GROUP HEAD OF TALENT AND LEADERSHIP DEVELOPMENT AND CARRIE ADAMS, GLOBAL HEAD OF INCLUSION DRIVING DIVERSITY FORWARD



Sara Holton
Group Head of Talent and Leadership Development



Carrie Adams
Global Head of Inclusion

Carrie Adams is leading Reckitt's ambitious inclusion agenda. She is part of a broader talent team led by Sara Holton which is focused on unleashing Reckitt's potential through its people and culture.

Sara Holton first joined Reckitt as a Regional HR Director in 2010 for two years before returning in 2014 as a Global HR Director in the corporate headquarters. Carrie Adams is a more recent recruit, appointed as Global Head of Inclusion in early 2021.

The decade or so between Sara's first impressions of the business and Carrie's illustrate the difference between then and now with regard to the gender inclusion agenda and the impressive progress Reckitt has made.

"When I first joined in 2010, Reckitt had a 'top down' approach and a relative lack of focus on people and inclusion," says Sara. "My mission was to change the culture within my part of the business and unleash the potential of the fantastic talent I saw around me. When I came back in 2014, I could see that we'd taken some steps forward but there was and still is a lot to do.

"Then as now, we had amazing people with fantastic skills, resilience, drive, ambition and entrepreneurialism – all the things that make us successful as an organisation. Reckitt people deserve every opportunity to fulfil their potential, which is why the journey to inclusion is so important."

When Carrie joined Reckitt in early 2021, she quickly realised that she was in the right place at the right time. With a career that began working on a women's inclusion project in Cambodia, she was impressed by Reckitt's commitment to gender equality and inclusion overall.

"One of the real strengths of Reckitt today is our people – they tell us time and again how important this topic is to them. And we have a leadership

"The inclusion agenda actually transcends the connectedness that we have around LGBTQ+, race and ethnicity, disability or women. For a business like Reckitt it is critical to get that diversity of thought to fuel our innovation, ensuring that we reflect our consumer base in the markets we operate in."

who can see the commercial and ethical benefits of getting inclusion right – inclusion is about tapping into greater creativity and innovation as well as attracting people to Reckitt and retaining them," she says.

"Our efforts also align back to our purpose and our compass which are at the heart of our identity. Our leaders are here on a transformation journey and they very much see building an inclusive culture as a key business imperative to our future commercial success, as well as it making Reckitt a great place to work.

"Having that explicit leadership commitment is critical in terms of making inclusion happen. Laxman Narasimhan, our CEO, wants to accelerate and embed this agenda and in many ways that gives us the licence to go deeper and faster. That's one of the reasons we created the global inclusion board as we did. It's very intentionally led by people from the business, so it doesn't become only a job seen as being led by HR alone."

DRIVING DIVERSITY FORWARD continued

A commitment to diversity inside and out

"The inclusion agenda actually transcends any of the intersectionality that we have around LGBTQ+, race and ethnicity, disability or gender," Sara says. "For a business like Reckitt, it is critical to get that diversity of thought to fuel our innovation, ensuring that we reflect our consumer base in the markets we operate in."

"The six pillars that drive our inclusion strategy reflect this", adds Carrie.

"It's an internal and external focus. Internally, we're looking at our culture and what we stand for. Externally, we're looking at the part we play in wider society in terms of supply chains and the communities we work in and in which our products are used. Our brands have incredible reach and we seek to embrace that diversity to drive innovation."

Gender balance by 2030: how achievable is it?

Reckitt's gender inclusion goal is to reach gender balance at all management levels by 2030. How far off are we today, in 2022?

"Across the whole organisation, women make up 44% of our workforce. Across managerial roles, 49% of these roles are held by women," says Carrie. "Goals like gender balance at all management levels by 2030 are a great rallying point to inspire people, and we have to constantly measure, and relentlessly monitor progress – because what gets measured, gets done."

"Where Reckitt needs greater balance is at the senior management level (29% women in 2021). We're therefore focusing additional effort and time on developing the talent pipeline for senior women, so we're better able to promote our own colleagues into these senior leadership roles and build and promote talent from within."

Seven years of inclusive action

The accelerated commitment to greater inclusion actually began in 2015, with Reckitt's first initiative specifically focused on advancing women.

"Project DARE was the start of our inclusion mission, only seven years ago," says Sara. "The aim was to Develop, Attract, Retain and Engage talented women. We widened the scope a few years later to other areas of diversity, not just gender. In 2020 we established the global inclusion board and since then we've been progressing at pace to drive inclusion more broadly."

Following inclusive leadership learning for senior leaders in early 2021, inclusion boards were set up in regional markets to ensure leadership accountability.

"Each market is unique. So whilst we've created a global framework, we also want our markets to have the Freedom to Succeed within that framework and be able to drive local activity," says Sara.

"We've seen some great examples of action," says Carrie. "In Colombia, the team have connected with a local university on the topic of disability. In South Africa, the Women@Reckitt ERG championed the growth of women. In 2021, they raised awareness of the sacrifices that women made under Apartheid and have been focusing on creating an equitable and more sustainable future for the business and society together. And in the UK, they've dialled up their focus on mental health and race and ethnicity, for example. So as well as driving change globally, markets have the freedom to focus on the issues that matter most to them."

"2022 is all about embracing the diversity of the Reckitt workforce and enlisting allies to support those who need it."



DRIVING DIVERSITY FORWARD *continued*



An everyone culture

As Sara points out, it isn't only women who benefit from greater gender balance. "Cultural and societal imbalance that disadvantages women, affects men too," she says. "It's an issue for them as well. An unintentional but welcome consequence of our initial work on gender balance was that it gave men a voice too, and everyone had a lot to gain from a more inclusive working environment."

2022 is all about embracing the diversity of the Reckitt workforce and enlisting allies to support those who need it.

"For me, having the Freedom to Succeed is also about being able to bring your best self to work more of the time – the feeling that you can truly be yourself in the business, that you belong," Sara explains.

"To actively sponsor and support people who are underrepresented to fulfil their potential, we need allies that will champion those who are facing challenges in their career, and make sure they can access the support to help them succeed."

Teaching and learning from others

Networking within the business and the wider sector is important.

"Women's approach to networking can sometimes look different to men's, in the same way it might for introverts and extroverts. Either way, we can all benefit from tapping into our networks more proactively, as well as giving ourselves space to reflect and share, connect, inspire and engage, as well as motivate each other," says Carrie.

"We are here on a transformation journey and our leadership very much sees building an inclusive culture as a key business imperative."

A key development tapping into the power of networks and communities is Women@Reckitt, launched in 2021 as an employee resource group (ERG) – a voluntary initiative designed to foster a more inclusive workplace; one in which women can unlock their potential and be supported by their colleagues as they grow in their careers. The ground-up initiative has spread around Reckitt's global markets, with 17 local chapters currently helping bring about change that is specifically relevant to them.

"Our leadership development programmes – Accelerate and Accelerate Advanced – are focused on developing future women leaders. They give participants the opportunity to connect, share challenges and experiences and undertake important and stimulating personal and career development as well," adds Carrie. "Likewise, the Conscious Inclusion sessions equip our senior leaders to own and lead the inclusion agenda at local level whilst learning from peers and experts."

The growth of Reckitt's leadership and networking programmes recognises that there's more than one way to succeed, and that Reckitt can only benefit from continuing our journey to diversity and inclusion.

WHAT NEXT FOR DIVERSITY REPORTING?

We're proud to go above and beyond in terms of gender pay gap reporting in 10 markets. As we build our workforce diversity data, we plan to replicate this for other elements of diversity. We recognise that privacy and the rules differ across regions and that must be respected, but we're keen to better understand our workforce demographics and the lived experience of our people. For more information on diversity data, see [Our People and Inclusion](#) report.

INCLUSION:
OUR PROGRESS IN 2021

If we are to achieve our goal of gender balance at all management levels by 2030, we need to address change at all levels. Commitment from leadership, greater accountability, and managing inclusion as a strategic business imperative are all key to this, and will help us attract, retain and develop the most talented people.

We've continued to progress the inclusion agenda in 2021 within the business, our wider industry sector and the communities we serve.

OUR STRATEGIC APPROACH

Freedom to Succeed

Freedom to Succeed is a concept that underpins Reckitt's people strategy. It's integral to the way we think and act. Freedom to Succeed is about emboldening our people to find their purpose and win at a professional and personal level. It starts with an inclusive environment where everyone feels they can participate and do the right thing, always. This has been particularly important over the past two years when our people have come together (in the main virtually) to do their best in very difficult circumstances. Our brands have played a key role in the global response to the spread of COVID-19, and the collective efforts of all our employees made a real difference.

Change is driven and comes from all levels in the company. Our global inclusion board is chaired by our CEO, Laxman Narasimhan, and there are now almost 30 local inclusion boards in our markets across the world. All functions are represented, and our ERGs play a key role on the global and local inclusion boards.

The six pillars of inclusion

Our inclusion strategy focuses on six key pillars, from our internal culture and policies to our brands and our relationships with consumers and communities.

LEADERSHIP	Equip our leaders with the training and tools to lead inclusively and drive greater accountability
PEOPLE	Build a culture of inclusion, enabling our people to succeed via ERGs, local involvement and engagement
POLICIES	Ensure our policies are inclusive by design and set global minimum standards
PROCUREMENT	Support suppliers from diverse and minority communities; enable our suppliers to have the Freedom to Succeed
BRANDS	Leverage our brand power to drive greater inclusion, benefit overlooked communities and establish new partnerships to deliver change
PARTNERSHIPS	Build selective partnerships to support our ambition. Make it easy for partnerships to be set up locally and for their value to be realised

2021 saw Reckitt refresh our diversity and inclusion approach, structure and governance. We put in place our global D&I governance model, established local inclusion boards and ERGs, and rolled out conscious inclusion programmes for leaders and for all our people.



Image above by Mikhail Nilov at Pexels

INCLUSION: OUR PROGRESS IN 2021 continued



LEADERSHIP DEVELOPMENT

Formalised learning and networking are vital to embedding inclusion in the organisation. Our leadership development journey includes:

- **Accelerate** and **Accelerate Advanced** programmes, which have been running since 2016 and are designed for women as they progress their careers at Reckitt. The programmes enable participants to focus on their career development, as well as creating time and space for personal development, reflection and networking. Initially targeted at future women leaders in 2020, in response to feedback from our people, we launched **Accelerate Your Career** for all future leaders, recognising that men and women face similar challenges on career progression; and
- **Explore**, a development programme focused on our senior managers. It gives people the opportunity to reflect on the nature and legacy of their personal leadership brand, exploring themes of leadership behaviours, conscious inclusion and wellbeing.

"I feel ready to really develop a strong purpose and development plan that will ultimately make me a better leader, but also ensure I sponsor others coming through the business."

**Accelerate Advanced Europe
2021 participant**

"This programme made me feel like a superwoman who knows when to step up and when to take a break."

**Accelerate ANZ/ASEAN 2021
participant**

HOW RECKITT MEASURED UP 2021 SNAPSHOT

SIX PILLARS

We launched and built on the six pillars approach to inclusion.

30 LOCAL INCLUSION BOARDS

30 local inclusion boards were established to drive activity and deliver locally. The global inclusion board is led by the CEO and senior business leaders.

THREE GLOBAL ERGS

We launched three global ERGs (Women, LGBTQ+ and Race & Ethnicity), with local ERGs in 17 markets.

STRONGER TOGETHER

Our Stronger Together conversations continued with seven global virtual events.

CONSCIOUS INCLUSION

We launched the Conscious Inclusion learning journey for all markets. Almost 90% of our senior leaders have attended 'Leading Inclusively' sessions.

LEADERSHIP DEVELOPMENT PROGRAMMES

230 talented women and men around the world took part in our Accelerate, Accelerate Advanced, Accelerate Your Career and Explore leadership development programmes.

GLOBAL POLICIES

We're on track for reviewing and refreshing the global policies that have the most impact on our people. Our global ERGs have been a key part of the policy taskforce.

REDUCE UNCONSCIOUS BIAS

We used data analysis to mitigate systemic bias in people processes, including talent development and succession planning.

INCLUSION: OUR PROGRESS IN 2021 continued

WOMEN@RECKITT

The Women@Reckitt global ERG was launched in 2021 with four clear strategic objectives:

- To create a movement for change and mobilise allies through awareness, education and accountability
- To champion a culture of inclusion and belonging
- To accelerate women on their path to leadership
- To shine a light on barriers to women in the workplace and support the design and implementation of solutions

Women@Reckitt is aligned with Reckitt's business purpose, fight, compass and behaviours and aims to build trust through action. The global ERG sets the direction, and activity happens locally. In 2021, 17 local ERGs have been established in local markets around the world.

Read more about Women@Reckitt and how it's working across the globe on pages 18-22.

"Reckitt has a history of promoting inclusion and equity for women and that great work is continuing to grow. Men's partnership and participation are key to creating an equitable and diverse work environment."

Sunil Ayyagari
Brand Manager, LGBTQ@Reckitt
Lead and Member of
Women@Reckitt, North America



"I've always seen the role of the ERGs as a collective community for impacting change. Being the change that we want to see requires that all key stakeholders take an active role in shaping and navigating the path for change."

Lynette Braxton
Trade Marketing Director
– VMS and Women@Reckitt
Community & Membership Lead,
North America



"Gender-unconscious bias is so much more complex than even I – as a young woman – had anticipated prior to taking on this role."

Flick Wileman
Talent Acquisition Lead UKI ANZ
and Women@Reckitt Lead, Europe



LEADING THE WAY WITH OUR INDUSTRY PEERS

Reckitt is a member of the LEAD Network (Leading Executives Advancing Diversity), a partnership of some of Europe's biggest FMCG and retail corporates. LEAD participants aim to create sustainable value by attracting, retaining and advancing women through the FMCG and retail industry sector.

The LEAD Network pledge commits members to eight inclusion actions. It's a touchpoint for our global inclusion strategy, giving us a vital benchmark for progress. Through active participation, we learn from and teach other businesses in the consumer goods and retail industry, strengthening and enhancing the diversity of the talent pool for all.

We continue to play a full role in the organisation, despite the challenges of the pandemic. In 2021, 25 Reckitt delegates virtually attended the annual conference, participated in the mentoring programme and the LEAD pilot leadership development programme.

The LEAD gender inclusion scorecard, a biannual survey conducted in partnership with EY, tracks the number of women in executive positions in the European consumer goods and retail sector. From a baseline of 25% in 2017, LEAD organisations now have an average of 35% of women in executive positions. That provides us with an industry benchmark and we will continue to focus on this area.



STEPHANIE LILLEY, SALES DIRECTOR, UK & IRELAND HYGIENE
AND GLOBAL WOMEN@RECKITT LEAD

CHANGE FROM THE GROUND UP



Championing women at all levels helps make our organisation stronger – and creating more role models is key to inspiring the women leaders of the future.

Stephanie Lilley is ideally placed to report on how gender balance has changed at Reckitt over the years.

Joining the company on a graduate programme 14 years ago, Stephanie has worked in sales and trade marketing positions in the UK and Europe and now heads up the UK & Ireland sales team for Reckitt Hygiene. She leads the global Women@Reckitt ERG, launched last year to unlock the potential of women at all levels within the Company.

"When I joined Reckitt it would be fair to describe it as a 'boys' club,'" she says. "There were very few women in management positions. Lots of little things, like socialising on the golf course, or track days for team events, were so excluding for groups of individuals.

"That's all different now, I'm delighted to say. The experience of being a woman at Reckitt has changed enormously. There are still things we can improve but, overwhelmingly, it feels like a much more inclusive place."

"The more diversity you can create among the people who are making decisions, the better the decisions will be for everyone."

The importance of role models

One of the key changes Stephanie sees is that there are a lot more women in senior management positions.

"We have women in SVP, general manager, financial director, sales director and marketing director roles all over the world. The value of that role modelling cannot be underestimated.

"From my own point of view, it makes my job easier. I know a lot of women in the business feel the same. If you were the first woman to go into a role, you worried that if you did it badly, they would never put another woman in the role. You don't feel that anymore because you've seen multiple women do the role and do it well."

A more inclusive environment means women stay longer and achieve more. They don't leave the business to go elsewhere to be successful and make money for a competitor.

So what has changed in real terms to transform inclusivity for women at Reckitt?

Stephanie believes that the arrival of a new CEO and leadership team saw a new focus within the business on improving diversity and driving a more inclusive culture.

"For one, there's more flexibility in working patterns, so you don't feel you have to be in the office 12 hours a day, which is vital for people with caring responsibilities," says Stephanie. "And in recent years the focus has definitely been on creating an environment where gender balance can flourish."

CHANGE FROM THE GROUND UP continued

Why Women@Reckitt?

Women@Reckitt is an evolution of a programme called Project DARE launched in 2015, which aimed to Develop, Attract, Retain and Engage talented women within the organisation, and tackle the unconscious bias and barriers that saw many women leave the business.

"Project DARE led to some fantastic policy changes that have benefited everybody in Reckitt, not just women," says Stephanie. "For example, we created a new parental leave policy that provides 26 weeks' paid and 26 weeks' unpaid maternity leave, and 4 weeks' paid and 4 weeks' unpaid paternity leave for parents with newborns. The same benefits are offered to couples adopting or choosing surrogacy. We also changed the international transfer policy to offer more support to people's partners and families and initiated leadership development programmes for women leaders across the world. That started to make a big difference."

Women@Reckitt is one of three global ERGs established in 2021 (the other two are LGBTQ+ and Race & Ethnicity). Before launching the ERG, the team undertook some research into what women at Reckitt saw as barriers to their own success within the organisation. Eight key factors were identified:

1. Not everyone experienced the company culture in the same way
2. Too few senior women role models
3. Women, not the business, were seen as being responsible for change
4. Too many women leaving the business at middle management level
5. Women's point of view was underrepresented
6. Poor processes allowed bias to flourish to the detriment of women
7. Flexible working was not encouraged
8. A focus on international mobility was difficult for many

"A big issue was this: most of our consumers are women, but the majority of the people who made the biggest decisions within the organisation are not women," says Stephanie.

"Women@Reckitt is holding a mirror up to the business and holding it to account, making sure the 2030 target of gender balance at all management levels is achieved."

"Gender proportion in senior management is currently around 70% men to 30% women. Our research shows that the more diversity you can create among the people who are making decisions, the better the decisions will be for everyone. So, more inclusion leads to greater innovation and thinking. Which is why our commitment to gender balance at all management levels within Reckitt is so important."

For Stephanie, the driving force behind Women@Reckitt is all about the Freedom to Succeed.

"It's about enabling women and everyone within the organisation to do whatever it is they want to do and be who they want to be.

"I'm not suggesting that every woman wants to be the next CEO, but if she does, we'd like to help her get there. Equally, if she is happy where she is but wants greater balance at home and at work, we also want to support those women. It's not just about creating future leaders for the business."

Women working at Reckitt currently benefit from access to mentoring, global and local learning events, global and local ERG membership and tailored leadership and development programmes. Currently 17 local groups have been set up – the biggest ones are in North America and the UK, and there are also groups in Turkey, South Africa, Brazil, India, all over the world. They operate independently to address the specific issues that are important to women in that region or country, with support from the global ERG.



CHANGE FROM THE GROUND UP continued

"If there was one thing I'd like people to take away, it's this: don't wait for inclusion to happen to you. Join an ERG or set one up if you don't have one."



Plans for 2022

2021 was all about establishing the ERGs and kicking off the four strategic objectives – creating a movement for change; championing a culture of inclusion; accelerating women on their path to leadership; and supporting the design and implementation of solutions.

"There are two big focus points for us in 2022," explains Stephanie. "One is around allyship – mobilising all those people who are what I call passive allies, rather than active allies: those who agree with what we're doing but aren't doing anything active to drive it. It's not just about women: a lot of men participate, too, which was one of the objectives of setting up the ERG."

"Secondly, we want all leaders to understand their numbers in terms of gender balance and equality. Understand where they are, where they want to be, and what they have to do to get there."

"I'm pleased to say this analysis is being done, and the data will be available to use in 2022, along with an action plan. Women@Reckitt is holding a mirror up to the business and holding it to account, making sure the 2030 target of gender balance at all management levels is achieved."

2022 should be a big year for the ERG. With COVID-19 receding, people will be able to meet in person more frequently which, Stephanie hopes, will energise the group.

Making it happen

"I don't know if this is a symptom of remote working, but a lot of people seem to be waiting for inclusion to happen to them," she says. "But inclusion is not a passive thing. It's something you have to proactively go out and drive. When people can't meet, it's significantly harder to create an environment where they feel they belong. Setting up a Teams call is harder than just meeting someone in the corridor, that's for sure."

"If there was one thing I'd like people to take away, it's this: don't wait for inclusion to happen to you. Join an ERG or set one up if you don't have one. We want to unlock the potential and retain more of our brilliant women to attract more brilliant women and, one day, to have these brilliant women lead our organisation."

A MORE INCLUSIVE ENVIRONMENT MEANS WOMEN STAY LONGER AND ACHIEVE MORE

Organisations with strong 'diversity climates' (i.e. inclusive work cultures characterised by the appreciation of individual differences and the adoption of practices to advance underrepresented groups) are likely to increase employees' job satisfaction and commitment to the company.

Executive teams with more than 30% women are more likely to outperform those with fewer or no women.

Women managers are doing more to support their teams in the following ways:

- Providing emotional support
- Checking in on overall wellbeing
- Helping navigate work/life challenges
- Working to ensure workloads are manageable
- Helping take actions to prevent or manage burnout

A 10% increase in perceptions of inclusion improves absenteeism, adding nearly one day a year in work attendance per employee.

Sources:

[Women in the Workplace 2021](#) and [Diversity Wins](#), McKinsey & Company
[Why Diversity and Inclusion Matter](#), Catalyst

CHANGE FROM THE GROUND UP continued

CASE STUDY WOMEN@RECKITT IN ACTION IN NORTH AMERICA

One of our most active Women@Reckitt local ERGs is in North America, led by Erica Paliatsas. Here, she describes how 2021 saw the group establishing itself and gaining momentum.



Erica Paliatsas

Trade Marketing Manager – Nutrition and
Women@Reckitt Lead, North America

Since 2020, Reckitt has been focused on building a more inclusive culture through the global Stronger Together series and the establishment of global ERGs in 2021.

In Reckitt North America, we're working together to inspire a movement whereby all employees can help to accelerate the careers of women to achieve our global goal of gender balance at all management levels by 2030.



What has been achieved so far?

The Women@Reckitt ERG in North America launched in March 2021 and to date we have over 700 members with 13 leaders, 14 champions and 50 volunteers.

Highlights of 2021 include:

- Established our aspiration, mission, strategies, KPIs and charters for each workstream: Learning & Development, Talent & Recruitment, Community & Member Activation, Communications and Allyship
- Developed 2021 learning and development plan based on membership survey feedback, focusing on career ownership, self-empowerment, leadership skills, and conflict management
- Executed seven large learning events with over 3,000 attendees including two external speakers
- Established membership activation plan with external industry associations, Network of Executive Women (NEW) and Healthcare Businesswomen's Association (HBA), to provide leadership development opportunities to our members
- Aligned on an Allyship strategy that North America will pilot in 2022 with a view to scaling globally
- Worked closely with recruitment and functional teams to educate colleagues about our ERGs
- Played a key role in development of the DEI (Diversity, Equity, and Inclusion) Mentorship test pilot in North America
- Successfully executed the first round table session to build the 2022 learning and development plan
- Considerations for succession planning

CHANGE FROM THE GROUND UP

continued

CASE STUDY

WOMEN@RECKITT IN ACTION

IN NORTH AMERICA continued

Our key learnings

The main lesson we can take from the last year is that it takes a village to build the foundation. According to the [Harvard Business Review](#), "When men are deliberately engaged in gender inclusion programmes, 96% of organisations see progress – compared to only 30% of organisations where men are not engaged."

Less than 3% of our Women@Reckitt volunteers and only 25% of members across all ERGs are male, so driving allyship amongst men is a key pillar to help accelerate Reckitt in the industry, be a catalyst for our programmes and influence societal norms.

We also need to address intersectionality with women of colour: [McKinsey's Women in the Workplace 2021 report](#) shows that at every step up the corporate ladder, women of colour lose out to white men, white women and men of colour.

"Being able to influence is instrumental in driving change and impact for the organisation – it's critical to help ensure all underrepresented groups have a voice."

What's next?

In 2022, we'll focus on engaging through personalised experiences, including:

1. Monthly large learning events – global and local
2. Women supporting women series – small group sessions
3. Implementing a mentoring programme – North America pilot in Q1 2022
4. Leverage Network of Executive Women (NEW) and Healthcare Businesswomen's Association (HBA) memberships – leadership development opportunities
5. Webinar leadership development series – watch and discuss with actionable takeaways
6. Male allyship in action – awareness and education to drive action



CASE STUDY

REDEFINING 'WOMEN'S WORK'



Efrain Ayala

Head of Diversity and Inclusion for Reckitt's Marketing Excellence group



Anushree Dewen

Global Senior Brand Manager, Harpic

In developing countries around the world, Reckitt is using its brand influence to educate, inspire and improve the lives of millions of people.

They are shocking facts: today 771 million people – 1 in 10 of the world's population, lack access to safe water – and 1.7 billion people – 1 in 4 – lack access to a toilet.

Our goal is to make access to the highest quality hygiene, wellness and nourishment a right, not a privilege. Since 2018, Reckitt has put that pledge into action together with Water.org.

A global non-profit founded by Matt Damon and Gary White, Water.org works with microfinance institutions to offer solutions that break down the financial barriers between people living in poverty and access to safe water and sanitation. Reckitt has been working with Water.org and its partners in India, Indonesia and Kenya to help people access safe water and sanitation, including supporting them to build water tanks and toilets in their homes and communities.

Who does the dirty work?

Harpic's Global Senior Brand Manager Anushree Dewen explains why access to sanitation is very much a gender issue.

"It goes without saying that everyone without this basic human right is affected, and it is much worse for some than others," she says. "Without access to a safe toilet at home, it is disproportionately harder for women and girls to lead safe, productive and healthy lives. Open defecation places them in danger, as they often face harassment and assault.

"And since women are disproportionately affected by this, it is really important that women are involved in decision making when it comes to improving sanitation solutions in communities. This ensures the solutions address the issues women and girls face.



CASE STUDY

REDEFINING 'WOMEN'S WORK'

continued

"We have a huge opportunity to change perceptions and move the dial on gender equality in the societies we serve."

"We must challenge the stigma and taboos around women and sanitation to overcome harmful practices. With increased skills and confidence, women will be able to play a visible role in making lasting change happen in their communities."

Financial and practical help

Reckitt has provided funding of just under US\$3.9 million to Water.org, alongside on-the-ground support to help families and communities build their own safe, hygienic latrines and water storage facilities.

Reckitt's support enables Water.org to partner with financial institutions to design solutions suitable for women from low-income families. These women can make informed decisions to take loans out with terms that suit their situation and then invest in new or improved access to water or sanitation at home. This empowers them with more time, because they no longer need to pay high prices to secure the water they need to survive.

The financial institutions, in turn, increase their client base with a commercially viable product, and expand the model by training staff in the product and how to inform potential clients of the benefits it could provide.

In India and Indonesia, Reckitt and our brand Harpic help train networks of community health facilitators, mainly women. They go deep into communities and villages, teaching women about the importance of safe access to water and toilet hygiene, what type to build and what loans are available to help them do so. They also receive guidance on how to clean and maintain the toilet, giving them 'ownership' of the solution.

"Water collection and toilet cleaning are often relegated to a particular community or gender," adds Anushree. "It's not looked at as the responsibility of every individual in a household, just women. We want to encourage everyone to own the task."

As a result of Reckitt's practical and financial support, 962,000 lives will have been changed between 2018 and 2022, despite the restrictions and additional challenges presented by COVID-19.



Jackline lives with her family in the Eastern province of Kenya. She endured a daily two-hour round trip to collect 20 litres of water from a shallow pond until she received a microfinance loan of around US\$210 (about 1.5 times her monthly household income) to install a 3,000-litre rainwater harvesting tank, enabling her family and 15 others to access safe water.

CASE STUDY

REDEFINING 'WOMEN'S WORK'

continued



Anita and her family live in Karnataka, India. She used to spend thousands of rupees on doctor's visits when her family fell ill as a result of poor sanitation conditions. With access to an affordable loan with low monthly payments, Anita installed a household tap and private toilet. Now, she can save that money and ensure her family stays healthy and nourished.

Changing perceptions

As one of the world's most trusted hygiene brands with a huge presence in India and Indonesia, Harpic and Reckitt's commitment to a cleaner, healthier world is inextricably linked to the issue of gender equality. In total, 70% of our purchasers are women, and the vast majority of our brands are used by women. We have a huge opportunity to change perceptions and move the dial on gender equality in the societies we serve.

Efrain Ayala, who heads up Diversity and Inclusion for Reckitt's Marketing Excellence group, notes that, globally, women and young girls spent up to three times as many hours doing unpaid domestic work than men, according to the International Labour Organization – and that was pre-COVID-19.

"In all marketing activity, we have a duty to ensure that household chores and cleaning are not depicted as the work of one gender," he says. "We have to avoid propagating the gendered stereotype that keeps young girls and women having to do unpaid domestic labour that fundamentally takes away time for them to be educated, get jobs and build financial equity for themselves.

"In all marketing activity, we have a duty to ensure that household chores and cleaning are not depicted as the work of one gender."

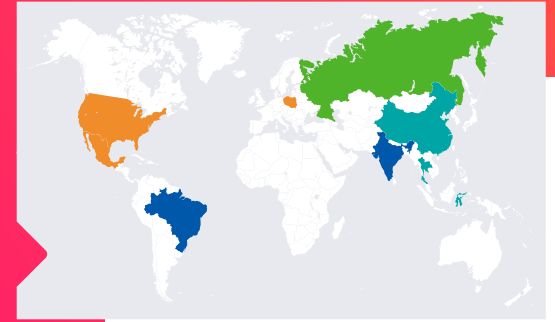
"The Harpic team is doing this by helping communities build their own toilets, which relates to its specific commitment to make sure women and girls are not left behind."

Reckitt's commitment to gender balance doesn't only focus on our own people. It's integral to our brands' values externally, too.

By harnessing the power of Reckitt's market-leading hygiene and wellness brands, we don't only ensure that women who work at Reckitt enjoy greater equality in pay and career opportunities. We can extend our commitment by positively impacting the lives of women through partnerships like the one with Water.org.

In the long run, we can change the perception of what 'women's work' really means.

GLOBAL SNAPSHOTS 2021



HIGHLIGHTS

UNDERSTANDING THE DATA



MARKET DATA

GLOBAL REPORTING 2021

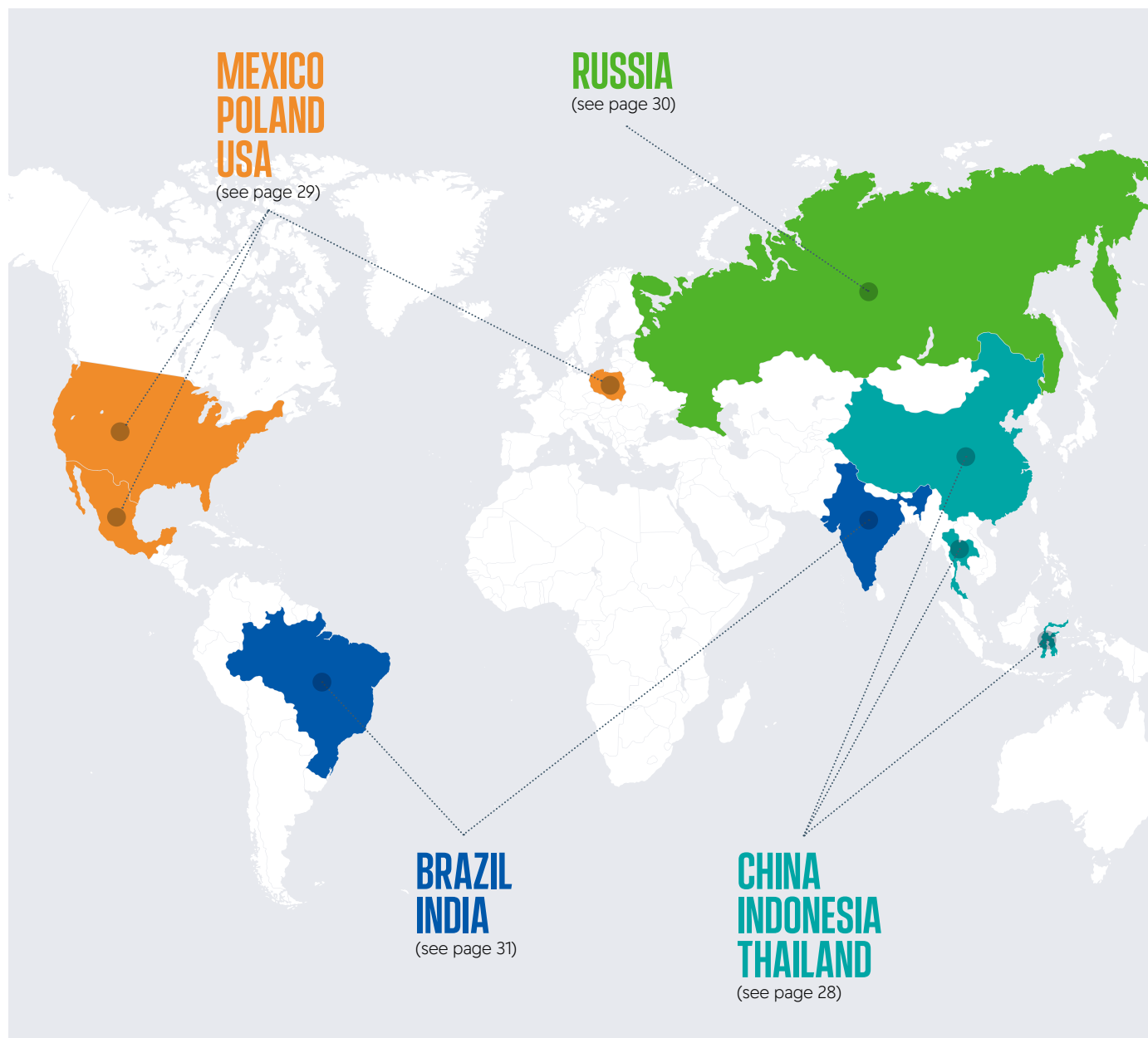
UNDERSTANDING THE DATA

How to read the gender pay snapshots from the nine additional global markets we report on.

As with the UK data (page 9), most of the global markets we report on have followed similar trends to those noted in 2020 and have been largely driven by workforce demographics.

The exception is the USA where the mean (average) has moved from favouring men to favouring women. As the mean is driven by demographics in senior roles, and the median by demographics in manufacturing, this has resulted from an increased representation of women in senior and middle management roles.

Over the following pages we have put the nine markets in four groups according to common gender demographics.



A common characteristic of these markets is that there is a higher proportion of women – or broadly equal split between men and women – in the manufacturing sites, which typically influences the median gender pay gap and median bonus gap (measured at target) to be in favour of men.

Bonus measures are based on target bonus data. Naturally, senior positions hold a higher target bonus value in comparison to less senior roles. This, coupled with the fact that these markets have a higher representation (or broadly equal split) of women in manufacturing roles, typically results in the median bonus gap being in favour of men with the exception of China.

CHINA

Total Reckitt employees: 4,199¹

Median gender pay gap



10.1%²



Median bonus gap at target



0.0%



Proportion of women and men eligible for a bonus payment



70.3%

85.2%

Women and men working in manufacturing



75%

22%

25%

Proportion of total market workforce in manufacturing position

"Reckitt's efforts to improve gender pay are having a positive impact on our ability to attract the best talent to the business."

Madge Xue

HR Director, Reckitt Greater China

INDONESIA

Total Reckitt employees: 1,295¹

Median gender pay gap



9.2%



Median bonus gap at target



21.3%



Proportion of women and men eligible for a bonus payment



43.3%

40.5%

Women and men working in manufacturing



40%

48%

60%

Proportion of total market workforce in manufacturing position

"Gender pay reporting helps to make Reckitt a role model for advocating gender equality in the workplace."

Utami Sari

HR Business Partner & Learning Development Lead, Reckitt Indonesia

THAILAND

Total Reckitt employees: 1,820¹

Median gender pay gap



15.6%



Median bonus gap at target



24.8%



Proportion of women and men eligible for a bonus payment



95.8%

96.3%

Women and men working in manufacturing



67%

45%

33%

Proportion of total market workforce in manufacturing position

"The gender inclusion programmes were very impactful, and many employees gave positive feedback on how much they have learnt."

Jarunate Pintusan

HR Director, Reckitt Thailand and Indochina

The W icon refers to women, and the M icon refers to men.

Our Reckitt 2021 gender pay data in the table above (mean, median and bonus eligibility measures) has been independently assured by KPMG. [View here](#)

1. Headcount data based on total number of active employees (as of 5 April 2021).

2. The Infant Formula and Child Nutrition (IFCN) Greater China business was sold in September 2021. The median gender pay gap as of 5 April 2021 would be 5.2% if we exclude the population of this business.

The three markets below demonstrate the impact of a higher representation of men in manufacturing roles. This is to say that the mid-point woman is typically in a more senior role than the mid-point man and, as a result, the median gender pay gap is in favour of women.

However, when looking at bonus measures we only consider the population of employees that are eligible for a bonus, and therefore the demographic in the data set changes. In this instance, the demographic has changed so that there is a higher proportion of senior men in scope. This is a contributing factor to the median bonus gap being in favour of men.

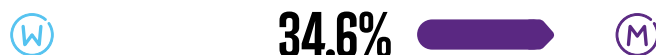
MEXICO

Total Reckitt employees: 2,038¹

Median gender pay gap



Median bonus gap at target



Proportion of women and men eligible for a bonus payment



Women and men working in manufacturing



"We're focusing on strengthening women's leadership as only 2.3% of companies on the Mexican stock exchange are led by women."

Karin Rosas
HR Director LATAM, Nutrition & Health

POLAND

Total Reckitt employees: 2,609¹

Median gender pay gap



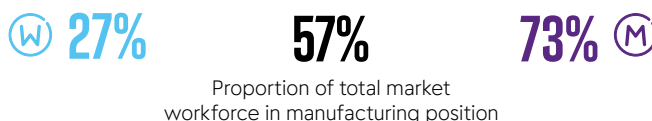
Median bonus gap at target



Proportion of women and men eligible for a bonus payment



Women and men working in manufacturing



"At Reckitt, equality is a top priority. It is at the heart of creating an inclusive environment where everyone is cared for and valued."

Agnieszka Jaworska
HR Director Poland & EE, Hygiene/Home

USA

Total Reckitt employees: 4,759¹

Median gender pay gap



Median bonus gap at target



Proportion of women and men eligible for a bonus payment



Women and men working in manufacturing



"We've heightened awareness of and commitment to diversity, equity and inclusion within our workforce."

Stephanie Huckel
Diversity, Equity & Inclusion Lead, North America

*A negative number represents a gender pay or bonus gap in favour of women.

The W icon refers to women, and the M icon refers to men.

Our Reckitt 2021 gender pay data in the table above (mean, median and bonus eligibility measures) has been independently assured by KPMG. [View here](#)

1. Headcount data based on total number of active employees (as of 5 April 2021).

In Russia, the manufacturing sites have a nearly equal gender split and the more senior roles have a higher representation of men. Together these factors contribute to a median gender pay gap that is small yet falling in favour of men.

However, when considering bonuses, we only look at the population of employees eligible for a bonus. In Russia, even though there are more women in manufacturing, the total manufacturing population is fairly small (16%), with the remaining population of women in middle management positions. Therefore, the middle woman is in a more senior role than the middle man, driving the median bonus gap in favour of women.

RUSSIA

Total Reckitt employees: 1,296¹

Median gender pay gap



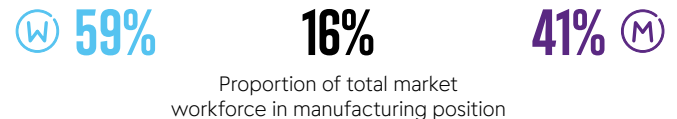
Median bonus gap at target



Proportion of women and men eligible for a bonus payment



Women and men working in manufacturing



"The Russian Women@Reckitt ERG became active in 2021 and is committed to providing the Freedom to Succeed, regardless of gender."

Elena Maryina
HR Director, RUCIS Health



*A negative number represents a gender pay or bonus gap in favour of women.
The W icon refers to women, and the M icon refers to men.
Our Reckitt 2021 gender pay data in the table above (mean, median and bonus eligibility measures) has been independently assured by KPMG. [View here](#)
1. Headcount data based on total number of active employees (as of 5 April 2021).

As manufacturing sites, in both Brazil and India, are predominantly staffed by men, the median pay gap is in favour of women, as the mid-point woman typically holds a more senior role than the mid-point man. As mentioned elsewhere in this report, when considering bonuses we only look at the population of employees eligible for a bonus and in this case there is little or no median bonus gap at target.

BRAZIL

Total Reckitt employees: 1,647¹

Median gender pay gap



Median bonus gap at target



Proportion of women and men eligible for a bonus payment



26.4%

24.1%

Women and men working in manufacturing



25%

29%

75%

Proportion of total market
workforce in manufacturing position

"Employees say they feel Reckitt is more committed to the D&I agenda and is striving to make the work environment more and more open and inclusive."

Raquel Carneiro

HR LATAM Director for Reckitt Hygiene Commercial Brazil

INDIA

Total Reckitt employees: 3,438¹

Median gender pay gap



Median bonus gap at target



0.0%



Proportion of women and men eligible for a bonus payment



97.5%

84.5%

Women and men working in manufacturing



1%

35%

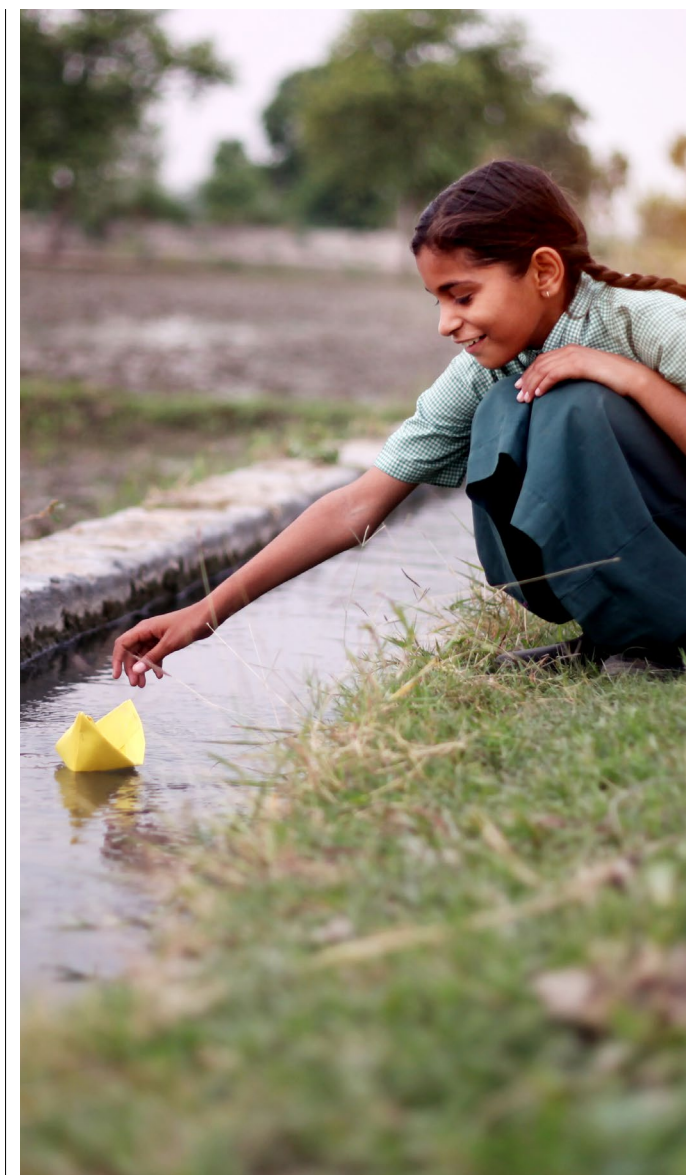
99%

Proportion of total market
workforce in manufacturing position

"The inclusion programmes have made the ecosystem more supportive and mitigated existing biases."

Sohini Dutt

Regional HR Director, Reckitt South Asia



*A negative number represents a gender pay or bonus gap in favour of women.

The W icon refers to women, and the M icon refers to men.

Our Reckitt 2021 gender pay data in the table above (mean, median and bonus eligibility measures) has been independently assured by KPMG. [View here](#)

1. Headcount data based on total number of active employees (as of 5 April 2021).

APPENDIX

DRIVERS OF UK GENDER BONUS

As part of our approach to recognising and rewarding performance, Reckitt's senior leaders have access to both short and long-term incentive plans.

Based on the annual bonus paid, the Reckitt 2021 UK bonus gap was -54.4% (median) and 35.6% (mean).

There is a mean average gender bonus gap, as under our pay for performance model, the more senior roles have a higher proportion of their packages as variable pay, and these roles are more typically to be filled by men.

We see the reverse effect when looking at the median. The gender balance in the manufacturing sites is weighted more towards men and, as a result, the median woman is typically in a more senior role than the median man, resulting in a median gap favouring women.

Although all employees at the same level have the same bonus-earning opportunity, we cannot be comfortable with the consequences of this gender imbalance at senior levels, and we are working to address it.

To understand the bonus gap, it is important to further note its key components: an annual bonus and a Long-term Incentive Plan (LTIP).

ANNUAL BONUS

Our annual bonus scheme operates in the same way for all. It incentivises top-line revenue growth and a bottom-line measure of profit growth. This is important as it is gender-neutral and objective. Everyone in the same management level is offered the same opportunity to receive bonuses, irrespective of gender.

Reckitt supports part-time working, so that our employees can balance their personal and professional lives. Pay and bonuses are adjusted accordingly. However, this is not recognised in the calculation of the gender bonus gap. Since approximately two-thirds of Reckitt's part-time employees in the UK are women, this impacts the calculation.

LONG-TERM INCENTIVE PLAN

The LTIP is designed to reward long-term performance and share price growth. At Reckitt we have a strong pay for performance culture and alignment to shareholder value. An increase in share price leads to a corresponding value in terms of LTIP pay-out. Like the annual bonus, the LTIP allocation is gender neutral, which means that everyone at the same level in the organisation is eligible to receive an equal allocation of shares.

However, there are more men than women in roles that offer higher incentive opportunities, and this includes eligibility for LTIPs.

Finally, it is worth noting that the LTIP only rewards long-term performance; three and a half years elapse between an award being made and it potentially paying out.

We are required to include all pay-outs during the 12 months to April 2021 which, due to Reckitt's pay cycle, means LTIPs that were released in May 2020. This year's gender pay analysis therefore includes LTIPs awarded in December 2016, and so represents the gender balance at that time.



UK GENDER PAY GAP BREAKDOWN

The requirement to report on gender pay does not apply to some of our UK businesses – specifically, those that employ fewer than 250 colleagues.

Even so, Reckitt chooses to include all employees in our UK reporting below regardless of where they work. That way, we can give the most representative picture of our gender pay and bonus gaps across the UK.

Entity	Proportion of men and women in each pay quartile													
	Pay Gap		Bonus Gap		Proportion receiving bonus		Q1		Q2		Q3		Q4	
	Mean difference	Median difference	Mean difference	Median difference	Men	Women	Men	Women	Men	Women	Men	Women	Men	Women
Reckitt Benckiser Health Limited	23.1%	34.0%	55.3%	44.7%	86.6%	82.7%	57.0%	43.0%	51.6%	48.4%	40.6%	59.4%	36.0%	64.0%
RB Corporate Services Ltd	34.0%	28.5%	65.8%	53.6%	85.3%	84.2%	64.3%	35.7%	55.5%	44.5%	38.0%	62.0%	31.2%	68.8%
Reckitt Benckiser (Brands) Ltd	-12.7%	13.7%	-90.6%	-11.7%	83.3%	73.6%	51.9%	48.1%	64.3%	35.7%	51.9%	48.1%	50.0%	50.0%
RB UK Commercial Limited	6.6%	3.9%	9.8%	6.7%	91.7%	89.6%	45.5%	54.5%	39.2%	60.8%	42.2%	57.8%	38.2%	61.8%
RB UK Hygiene Home Commercial Ltd	8.7%	15.4%	14.5%	31.7%	94.3%	82.7%	52.8%	47.2%	40.7%	59.3%	37.0%	63.0%	33.3%	66.7%
Reckitt Benckiser Group plc*	–	–	–	–	–	–	–	–	–	–	–	–	–	–
Manufacturing														
RB Healthcare Manufacturing	2.9%	7.8%	-4.2%	8.0%	95.2%	89.6%	78.4%	21.6%	78.4%	21.6%	77.8%	22.2%	60.8%	39.2%
RB (UK) Ltd	-1.0%	-6.9%	-73.9%	-551.6%	84.5%	83.9%	91.0%	9.0%	66.7%	33.3%	82.1%	17.9%	88.6%	11.4%
RB Healthcare (UK) Ltd HQ	-2.7%	5.6%	-14.3%	5.4%	91.8%	82.3%	71.6%	28.4%	77.3%	22.7%	74.4%	25.6%	65.0%	35.0%
Total UK	5.0%	-7.4%	35.6%	-54.4%	89.4%	84.4%	56.3%	43.7%	53.0%	47.0%	58.3%	41.7%	59.8%	40.2%

*Entity employs one person, therefore comparative figures not available.



Ranjay Radhakrishnan
Chief Human Resources Officer

Statutory disclosure: I confirm that the UK data presented here in this report is accurate and meets the requirements of the UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

NON-UK MEAN GENDER PAY DATA

For our non-UK markets, this report focuses mainly on median data. That is, the levels of pay of middle-ranking women overall, and middle-ranking men overall.

Median data is generally considered the more robust data point, giving a more representative picture of gender pay. In the interests of transparency, we also show mean (or average) data here.

Market	Mean gender pay gap (%)	Mean bonus gap (%)
Brazil	-4.1	11.2
China	13.3	26.9
India	-68.3	-27.5
Indonesia	14.2	40.4
Mexico	-4.8	-11.4
Poland	1.5	18.1
Russia	12.9	40.4
Thailand	29.9	50.3
USA	-2.3	9.5

A negative number represents a gender pay or bonus gap in favour of women.



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