

# REJUVENATING RECKITT

A summary



# Addressing four of the world's largest problems

**SIGNIFICANT UNREALISED MARKET OPPORTUNITY ASSOCIATED WITH ADDRESSING THESE PROBLEMS**



How can hygiene be the foundation for health?



How do we enable consumers to self-care at a time when health systems are under massive pressure?



How do we support intimate wellness and eradicate the menace of sexually transmitted diseases?



How do we provide enhanced nutrition for infants and for the increasing number of seniors in society?

**CAPITALISING ON THE BROAD AND RISING IMPACT OF DIGITAL AND SUSTAINABILITY**

# Our culture is our foundation

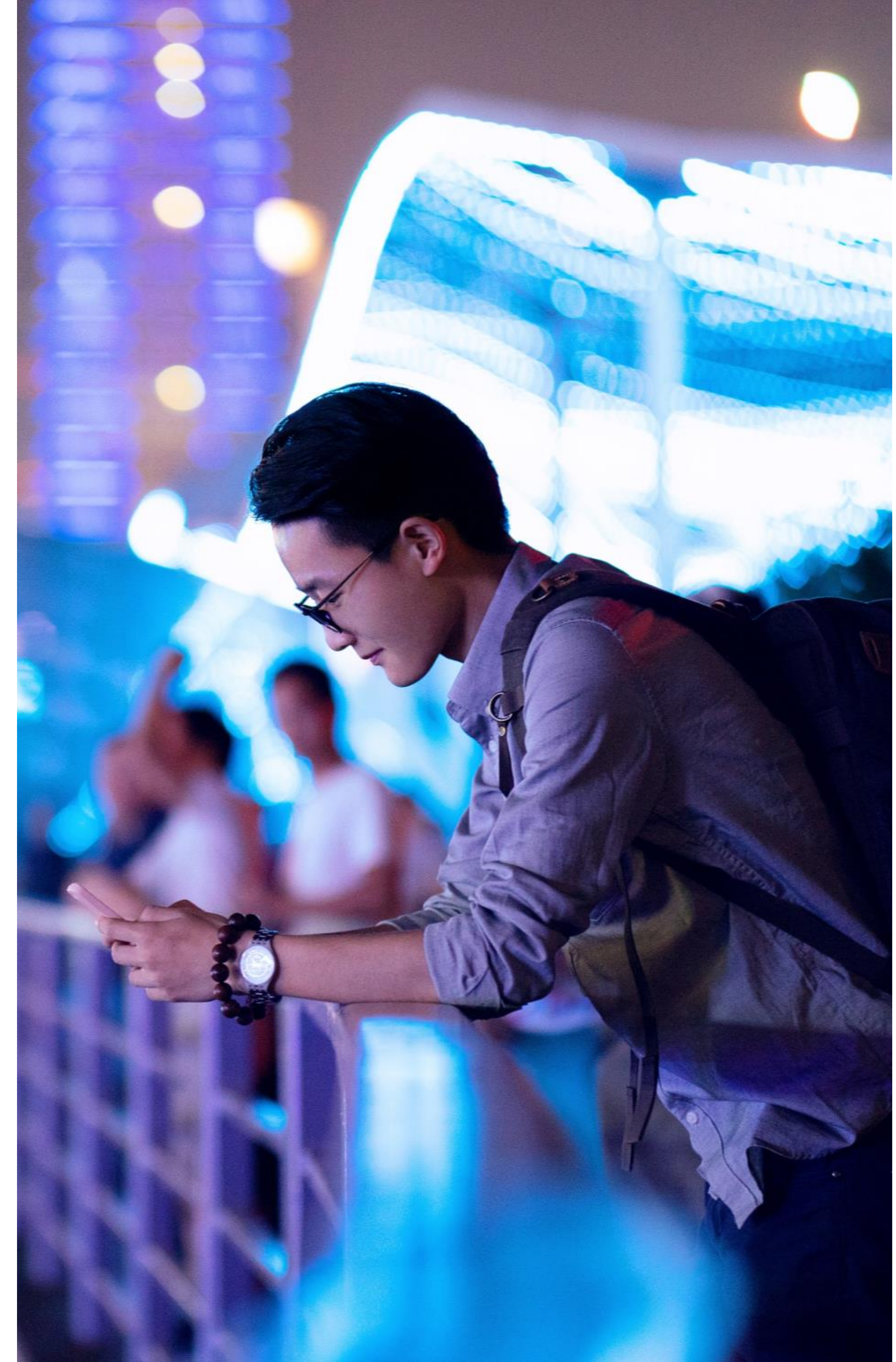
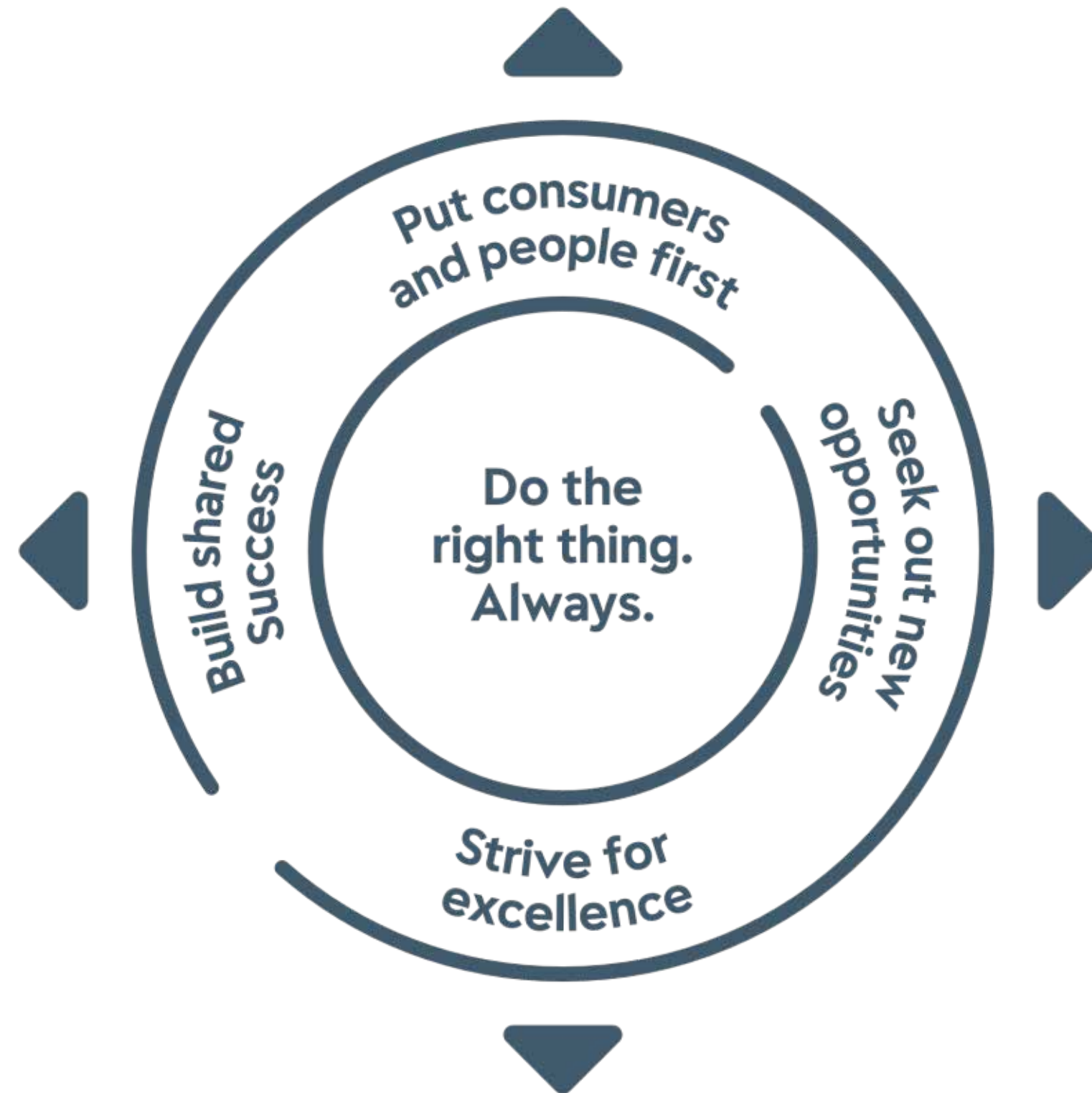
## Our Purpose

To protect, heal and nurture in the relentless pursuit of a cleaner, healthier world.

## Our Fight

Making access to the highest quality hygiene, wellness and nourishment a right, not a privilege.

## Our Compass



# Our Leadership Behaviours are making an impact



## OWN

- Live our purpose, fight and compass
- Know our business cold
- Make decisions

## CREATE

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

## DELIVER

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

## CARE

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

### Engagement<sup>1</sup>



**3 out of 4**

Colleagues feeling positive impact of Leadership Behaviours one year from launch



**90%**

Senior managers attended Inclusive Leadership sessions



**>30,000**

colleagues actively engaged in inclusion activities



**95/100**

Human Rights Campaign Foundation's 2022 Corporate Equality Index (CEI)

<sup>1</sup> - June 2021 Reckitt all employees pulse survey. Ticks represent outperformance vs Glint benchmark

# TRANSFORMATION FIRMLY ON TRACK: STRONGER BUSINESS WELL POSITIONED TO DELIVER MEDIUM-TERM TARGETS



## Our six imperatives



1. GROW BRANDS AND INNOVATE



2. INVEST IN CAPABILITIES



3. DRIVE SUPERIOR EXECUTION



4. INCREASE PRODUCTIVITY



5. ACTIVELY MANAGE THE PORTFOLIO



6. EMBED SUSTAINABILITY

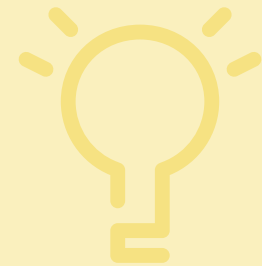
## WHAT WE SAID

## WHAT WE HAVE ALREADY DELIVERED

### 1. GROW BRANDS AND INNOVATE

#### E-commerce:

Strengthen our leadership position



>85%

2-year LFL stacked net revenue growth

Percent of total net revenue:

10%

2019

12%

2021

25%  
in next 5 yrs

17%

LFL net revenue growth in 2021

amazon.co.uk

ratings average >4.2\*

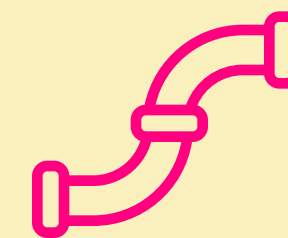


#### Innovation:

Reinvigorate R&D pipeline

+50%\*

Pipeline value\*\*

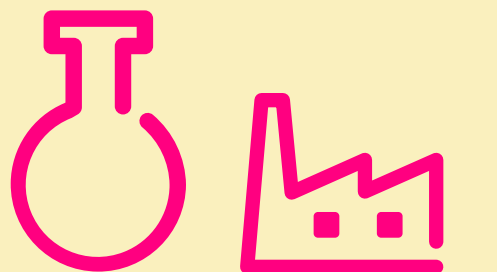


OTC pipeline value

2x\*

>3,400\*

PATENTS granted and filed\*



#### Growth drivers:

- ↑ Market share
- New places
- New spaces
- ↑ Penetration

Market share:



700 bps



gains in US since 2019



New places:

76

NEW MARKETS ENTERED since 2019

New spaces:

Plant-based products

Dettol Tru Clean



Penetration:

11m households reached



52.8%

brand penetration in 2021



\*Please see September 2021 capital markets day presentation for details \*\*Pipeline value represents the increased revenue opportunity from innovation in 2022 compared to 2021.

Definitions (including LFL): see 2021 Results Statement

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## WHAT WE SAID

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### 2. INVEST IN CAPABILITIES

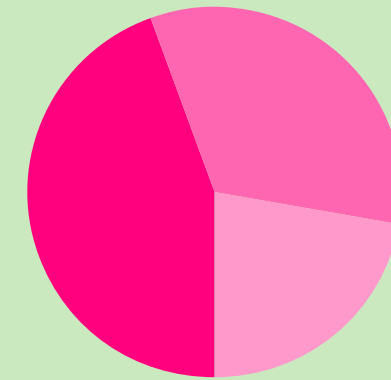
Investment in growth:

Step-change in skills



P&L investment to drive growth:

**>£1bn** investment over 2020-21



growth enablers - core capabilities  
 growth drivers - go-to-market, marketing  
 competitiveness - consumer value

Highlights:

Incremental **c.£100m** investment in R&D vs. 2019 taking total to **c.£360m**

**c.£80m** invested in **15+ START-UPS**

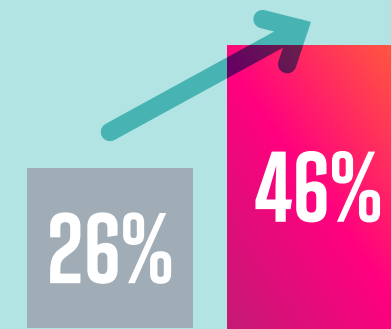
### 3. DRIVE SUPERIOR EXECUTION

Customer service:

Improve service levels



**+61%** increase in points of distribution vs 2019



\* Advantage Survey

20% point increase in markets rated top-tier by retailers\*

**#1**

Advantage Survey  
**TESCO**

SUPPLIER OF THE YEAR:

Walmart  
 Superdrug  
**DOLLAR GENERAL**

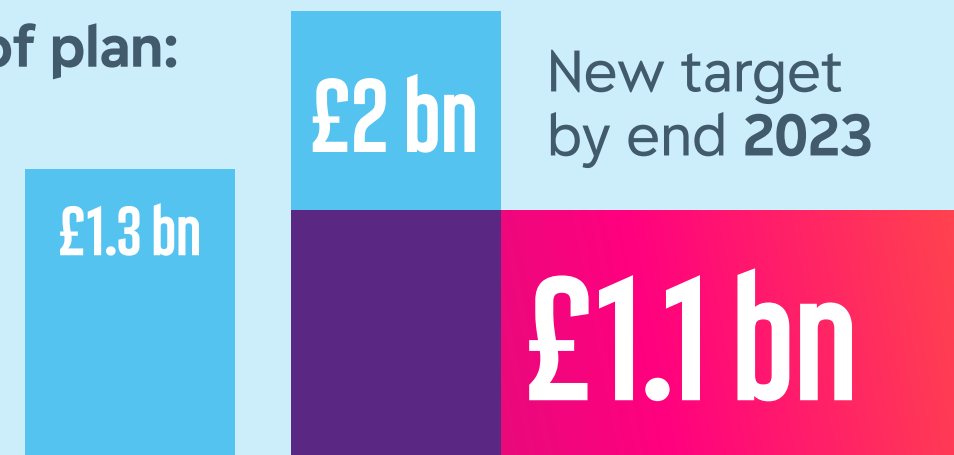
### 4. INCREASE PRODUCTIVITY

Productivity:

Realise **£1.3bn** in savings by end of 2022



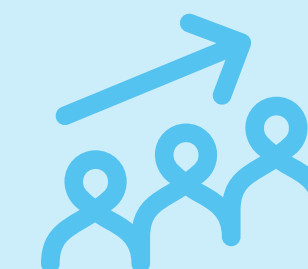
Ahead of plan:



New target by end 2023

already achieved

**c.14,000**



INITIATIVES ACROSS THE ORGANISATION

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## WHAT WE SAID

## WHAT WE HAVE ALREADY DELIVERED

### 5. ACTIVELY MANAGE THE PORTFOLIO

Focus on higher growth



**9%\*** portfolio turnover for higher growth

Disposals of:



Disposals of IFCN China and EnfaBebé

Acquisitions of:

**BIOFREEZE**



### 6. EMBED SUSTAINABILITY

Across the business and supply chain



Carbon emissions:

TARGET **-65%** BY 2030\*\*

**100%**

renewable electricity purchased in ALL manufacturing



**£1 bn**

in planned investments in sustainability over 10 years

less absolute carbon in operations since 2015

**-66%**

Hit target 9 years early

Sustainability scores:

**MSCI**

**SUSTAINALYTICS**  
a Morningstar company

**22.9**

Top 15% of industry group

**1.38 °C**

SCORE ON MSCI IMPLIED TEMPERATURE RISE (ITR)\*

\*metric to show companies' implied temperature alignment with global goals

UPGRADED TO **AA** FROM **A** in April 2021

S&P Global Gold Class Sustainability Award 2022

**Sustainability Award Gold Class 2022**  
S&P Global

\*\*Carbon reduction from operations

\* Total 2020 revenue of disposals (including proposed disposal of E45 and related sub-brands) plus annualised 2021 revenue of Biofreeze as a percentage of 2020 revenue plus Biofreeze