



25 October 2023

RECKITT STRATEGY UPDATE

A STRONG, WELL-INVESTED BUSINESS – NOW ENHANCING RETURNS TO SHAREHOLDERS

Reckitt today announces a strategy update and commencement of a share buyback programme following the appointment of Kris Licht as CEO on 1 October.

Key highlights are as follows:

- Reckitt is today a strong, well-invested business with a **culture and purpose fit for the future**.
- We operate in attractive growth categories. Our portfolio of brands is excellent and positions us well to **deliver sustainable mid-single digit like-for-like (LFL) net revenue growth** over the medium term.
- We will **continue to invest in product superiority** and to **sharpen and improve** the consistency of our in-market execution, and our cost base.
- We see a clear runway for sustainable growth, with superior gross margins, and we will **extend our productivity programme** to focus on fixed costs to fuel both growth and earnings.
- We are well positioned to **grow adjusted operating profit ahead of net revenue** in the medium term.
- Our strong free cashflow generation and a healthy balance sheet enable us to announce the commencement of an **enhanced shareholder returns** programme:
 - Sustainable dividend growth (no change)
 - **Commencing a share buyback programme. £1bn over the next 12 months**, commencing imminently (new).

Outlining the strategy, Kris Licht, Chief Executive Officer, said:

“Reckitt today is a strong, competitive, resilient business with an inspiring purpose and a distinctive culture fit for the future. We have an excellent portfolio of market-leading, high margin brands in growth categories.

“The investments that we have made in innovation, R&D, and our supply chain have enabled us to deliver sector-leading growth over the past three and a half years. And looking forward, our pipeline of large innovation platforms gives me continuing confidence to deliver mid-single digit net revenue growth.

“We do, however, have room to sharpen and improve. We will continue to invest in the superiority of our products, work to improve the consistency of our in-market execution and optimise our cost base. At the same time, we will constantly sharpen our portfolio in line with our clear principles for portfolio value creation.

“I am pleased to have announced today our intention to commence a new £1bn share buy back programme, a clear indication of my confidence in Reckitt.

“With our strong growth and sector leading earnings model, a clear set of priorities to sharpen and improve our business, significant free cashflow generation, and a healthy balance sheet, we are now well positioned to deliver sustainable and leading total shareholder returns.”

CONFERENCE CALL DETAILS

We will be hosting a live Q&A session for analysts and investors at 09:00 (BST) on Wednesday 25 October 2023.

Please click on the link below to join the live audiocast on the day:

<https://www.reckitt.com/investors/results-and-presentations/>.

Alternatively, dial in details are as follows:

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Participant access code: 564750

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Cautionary note concerning forward-looking statements

This announcement contains statements with respect to the financial condition, results of operations and business of Reckitt Benckiser Group plc and the Reckitt group of companies (the "Group") and certain of the plans and objectives of the Group that are forward-looking statements. Words such as "intends", "targets", or the negative of these terms and other similar expressions of future performance or results, and their negatives, are intended to identify such forward-looking statements. In particular, all statements that express forecasts, expectations and projections with respect to future matters, including targets for net revenue, operating margin and cost efficiency, are forward-looking statements. Such statements are not historical facts, nor are they guarantees of future performance.

By their nature, forward-looking statements involve risk and uncertainty because they relate to events and depend on circumstances that will occur in the future. There are a number of factors that could cause actual results and developments to differ materially from those expressed or implied by these forward-looking statements, including many factors outside the Group's control. Among other risks and uncertainties, the material or principal factors which could cause actual results to differ materially are: the general economic, business, political, geopolitical and social conditions in the key markets in which the Group operates; the Group's ability to innovate and remain competitive; the Group's investment choices in its portfolio management; the ability of the Group to address existing and emerging environmental and social risks and opportunities; the ability of the Group to manage regulatory, tax and legal matters, including changes thereto; the reliability of the Group's technological infrastructure or that of third parties on which the Group relies including the risk of cyber-attack; interruptions in the Group's supply chain and disruptions to its production facilities; economic volatility including increases in the cost of labour, raw materials and commodities; the execution of acquisitions, divestitures and business transformation projects; product safety and quality, and the reputation of the Group's global brands; and the recruitment and retention of key management.

These forward-looking statements speak only as of the date of this announcement. Except as required by any applicable law or regulation, the Group expressly disclaims any obligation or undertaking to release publicly any updates or revisions to any forward-looking statements contained herein to reflect any change in the Group's expectations with regard thereto or any change in events, conditions or circumstances on which any such statement is based.

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