Sustainability Performance Review continued

HEALTHIER PLANET

See page 14

for our Sustainability Ambitions progress overview.

Net zero across our value chain

We have a holistic set of science-based targets to help tackle climate change and achieve net zero by 2040:

- Reduce our product carbon footprint by 50% by 2030 versus 2015
- Reduce our absolute Scope 1 and 2 GHG emissions by 65% by 2030 versus 2015
- Achieve 100% renewable electricity by 2030

Emissions reduction and energy use

Our product carbon footprint includes emissions across the whole value chain (Scopes 1, 2 and selected Scope 3). During 2023, we improved the stability of our model, enhancing the methodology and strengthening the approach. This process has resulted in our 2015 baseline being restated at 10.6 million tCO_2e (previously 11.1 million tCO_2e). Using the updated methodology, our 2023 product carbon footprint was 9.1 million tCO_2e , a 13.5% reduction on our 2015 baseline. Further information on this is available in our Basis of Reporting Criteria at www.reckitt.com/reporting-hub.

Our approach to reducing our Scope 3 emissions is to focus on the largest emitting categories. Raw materials and packaging account for over half of our carbon footprint and 25 key raw materials comprise 80% of our ingredients footprint. We have begun working with our suppliers to reduce the carbon emissions associated with these categories. In some cases, we will switch to low carbon alternatives and our R&D team is evaluating options for this while maintaining the safety and efficacy of our products. Downstream logistics makes up another

significant proportion of our footprint and we are evaluating low carbon road- and sea-freight options.

In our operations, we continue to meet and exceed our target to reduce emissions from our manufacturing and warehousing operations, achieving a 67% reduction in Scope 1 and 2 emissions against our baseline. We have developed plans and targets for carbon reduction across our manufacturing sites which are reviewed monthly by our Supply Chain Leadership team. Specifically, we focus on optimising high carbon manufacturing processes and exploring options for asset replacement.

We source renewable electricity and are evaluating alternative options and replacements for our thermal energy needs. 94% of the electricity purchased and consumed by our sites is renewable through a combination of on-site generation and renewable energy certificates. We are progressively implementing power purchase agreements (PPA) to reduce the use of renewable energy certificates.

In partnership with Manufacture 2030, we continued to work with our contract manufacturers through our Supplier Environmental Performance programme to measure, track and help progressively reduce their emissions. This included the launch of the 'FMCG Vertical' campaign in March 2023, where we, along with other peer companies, promoted shared data provision and action planning. This simplifies environmental performance activity for both the suppliers involved and their customers.

See our ESG data book

for more detailed emissions and energy data and the methodologies used to calculate this information.

See pages 218-222

for our Climate-related Financial Disclosures and TCFD statement.

Emissions information¹

Metric	Unit	2023	2022 (restated)*	2022
Scope 1 emissions	tCO₂e	115,705+	121,467	121,275
Scope 2 emissions (market-based)	tCO₂e	8,902+	9,450	9,448
Scope 2 emissions (location-based)	tCO₂e	241,600+	241,968	237,471
Total Scope 1 and 2 emissions (market-based)	tCO₂e	124,606	130,917	130,723
Total Scope 1 and 2 emissions (location-based)	tCO₂e	357,304	363,435	358,746
Scope 3 emissions (excluding indirect consumer use)	million tCO₂e	9.2	9.5	13.0
Scope 3 emissions (including indirect consumer use)	million tCO₂e	37.6	36.7	40.0
Total product carbon footprint (excluding indirect consumer use) ²	million tCO₂e	9.1+	9.5	13.0
Total product carbon footprint (including indirect consumer use) ²	million tCO₂e	37.3+	36.7	40.0
Scope 1 and 2 GHG emissions intensity (market-based – tCO ₂ e per tonne of production ³	d)	0.04	0.04	0.04
- tCO₂e/£m revenue		0.008	0.009	0.009
Energy consumption resulting in Scope 1 and 2 emissions	MWh	1,220,968+	1,278,934	1,278,643
Proportion of energy consumption from UK operations	%	10	11	11
Proportion of Scope 1 and 2 emissions from UK operations	%	12	11	11

- Assured by ERM CVS as part of limited assurance engagement in accordance with International Standard on Assurance Engagement ISAE 3000 (revised) and ISAE 3410 for Greenhouse Gas data issued by the International Auditing and Assurance Standards Board. The assurance report, along with the principles and methodologies we use in our reporting, can be found online at www.reckitt.com/reporting-hub
- We report on emission sources required under the Companies Act 2006 (Strategic Report and Directors' Reports)
 Regulations 2013 and the Streamlined Energy and Carbon Reporting (SECR) requirements covering the 2023 reporting year
 (1 January-31 December). Emissions have been calculated in line with the World Resources Institute (WRI)/World Business
 Council for Sustainable Development (WBCSD)Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting
 (revised edition). Our GHG emissions and energy data includes emissions and energy consumption from operations covered
 by the Group Financial Statements for which we have operational control
- 2. Our total product carbon footprint includes Scope 1, 2 and selected Scope 3 emissions.
- 3. The scope of our GHG emissions per tonne of production covers manufacturing and warehousing. Including R&D and offices the GHG emissions intensity per unit of production in 2023 sites only was 0.04 tCO₂e
- * Restatements: prior year Scope 1 and 2 data has been restated as a result of site divestments, and updates to local energy conversion factors and the International Energy Agency GHG emission factors. Prior year Scope 3 data has been restated as a result of methodology improvements

Full details on the calculation methodologies are available in our Basis of Reporting Criteria online at www. reckitt.com/reporting-hub.