WASTE

Eliminating waste and making our processes more efficient improves our productivity and helps make us more sustainable. We try to generate as little waste as possible, reuse as much as we can, and dispose of the rest responsibly. We're also striving to use more recycled, recyclable and reusable materials in our products and packaging.

WASTE CONTINUED

2022 PERFORMANCE

Our ambitions	2022 progress	2021[1]	2020[1]	2015 baseline
25% reduction in waste from manufacturing (per tonne of production) by 2025 vs 2015	**-21%†**	-21%	-15%	—
100% factories send zero waste to landfill	**94%†**	96%	92%	—
Other waste metrics				
Waste (kg) per tonne of production	**25.6†**	25.9	27.7	32.6[1]
Hazardous waste (kg) per tonne of production	**4.3†**	4.2	3.8	—
Total waste generated (metric tonnes)	**78,150†**	82,513	93,846	—
Total waste recycled/reused (metric tonnes)	**51,787**	55,388	65,605	—
Percentage of waste recycled	**66%**	67%	70%	—
Total waste to landfill (metric tonnes)	**5,577**	5,793	5,365	—

† Assured by ERM CVS as part of its limited assurance scope; for details, see our **Sustainability Governance, Reporting and Assurance Insight**

1. Data restated due to removal of divested sites and data reporting improvements. See our Reporting Criteria for more detail at **reckitt.com/our-company/policies-reports**

WASTE CONTINUED

Waste can occur across our whole value chain, from when we source and process ingredients to when consumers use our products and dispose of them and their packaging. Shrinking our waste footprint can help us reduce our environmental impact, cut costs and help combat climate change, which is why we continue to work towards our waste reduction targets.

Our approach

We have a responsibility to minimise the waste we produce. Doing so reduces the resources we use, the waste needing to be disposed of and helps cut costs. Waste can occur across our whole value chain, from when we source and process ingredients to when consumers dispose of our products and their packaging after use (see our **Plastics and Packaging Insight** for more information). Waste also occurs during our manufacturing processes and we are focused on minimising waste generation alongside choosing alternative disposal options to landfill, such as recycling.

Optimising our manufacturing processes to make them more efficient helps us use less material and, therefore, helps reduce the amount of waste generated. This brings additional cost benefits to our business but also supports a more responsible approach to resource use. Beyond avoiding waste altogether, we're focused on minimising the impacts associated with its treatment – reprocessing or recycling as much as possible.

In addition, generating energy from waste, through incineration for instance, has benefits as it avoids sourcing energy from higher-carbon, non-renewable sources like gas, and it helps to reduce our carbon footprint. Less waste to landfill also means less carbon dioxide and methane being created as waste degrades – harmful GHGs that add to climate change.

In 2022, we continued to develop and track the impact of initiatives to cut waste in our manufacturing sites, with a 21% reduction relative to production since 2015. We are also very close to our target of zero waste to landfill, where all but three of our sites were zero waste to landfill at the end of 2022.

Our North American Zeeland and Evansville Nutrition sites are behind schedule on zero waste to landfill. However, they are expected to reach this goal in early 2023, after reaching approximately 95% avoidance of waste to landfill by the end of 2022. We are also working on a plan for our Wanamingo site, which was acquired in 2021, to reach zero waste to landfill. Prior to our ownership, the site did not have an environmental management system in place. This is currently being developed and implemented.

Managing waste from our operations

Our manufacturing sites are subject to the global ISO 14001 environmental management certification and follow our Global Waste Management Standard, which covers every aspect of waste management from legal compliance and risk management to operational controls, strengthening our activity and tracking performance. It requires sites to report every month on the type, quantity and disposal route of the waste they produce. Our Global Environmental team analyses progress and investigates significant variations with sites, providing support and guidance to improve performance. All sites are regularly audited, both internally and externally. Each site undertakes an annual self-assessment of compliance with the waste management standard, and detailed site audits look at legal compliance, risk management and environmental performance of each site in reducing waste. This includes checking proper disposal of all waste.

"WE CONTINUALLY REVIEW THE WAY WE WORK, IDENTIFYING OPPORTUNITIES TO REUSE MATERIALS TO AVOID WASTE, WHILE MAINTAINING THE SAFETY AND QUALITY OF OUR PRODUCTS."

CO-PROCESSING BENEFITS

At our Sitarganj site in India, which produces Hygiene and Health products, our effluent treatment plant produces sludge as a by-product which can often be used in the cement industry. However, our previous methods have meant that the sludge's moisture content was too high to be used in cement plants for co-processing (energy recovery). This meant that sludge was sent for incineration (without energy recovery). In March 2022, we implemented a new electrical drying process at the site to produce dry sludge. This has both economic benefits, through a reduction in the overall volume of sludge disposed, cost benefits from co-processing compared with incineration and environmental benefits with a 5.7% reduction in overall site waste volumes in 2022.

WASTE CONTINUED

Going beyond regulations

Where possible, we always strive to go above and beyond local and national waste management regulations. We apply Reckitt global standards and best practices to our sites, and develop action plans to improve performance and standards if required. We set clear targets and objectives for people involved in waste management, and our approach, embodied in our Global Waste Management Standard, is to progress through a 'waste hierarchy', where preventing waste is the best outcome. Where waste can't be avoided, we aim to minimise it, or reuse or recycle materials. Recovering energy from waste is next in the hierarchy, followed by disposal as the last resort. Each site's environmental specialists help identify the best ways to follow this waste hierarchy.

We continually review the way we work, identifying opportunities to reuse materials to avoid waste altogether where we can, while maintaining the safety and quality of our products. For example, our site in Bangpakong, Thailand, which manufactures Durex condoms, used to send all its unwanted latex to waste management companies for incineration. Now over a third (more than 142 tonnes) of our waste latex is being upcycled to make flip-flops. The first batch was donated to a local school.

Working with suppliers

We're also working to cut waste in our supply chain. We do this by monitoring site waste, promoting waste reduction and supporting suppliers to use more recyclable and reusable materials and dispose of waste responsibly. This includes working with them to improve waste data reporting, which is key to tracking and improving waste efficiency. In 2022, we continued our partnership with Manufacture 2030, which provided our key suppliers with support around reducing their waste footprint. Throughout the year, Manufacture 2030 facilitated a number of webinars around waste for our suppliers, in addition to supporting them build their action plans and submit data. To date, our suppliers have completed 991 actions which have saved 571.4 tonnes of waste.

Overcoming challenges

We face challenges associated with the high cost of alternatives to landfill in some regions. Repurposing waste or turning it into new material or energy can be expensive because of the extra costs for recycling, transporting and storing the material. We continue to look for ways to manage and dispose of waste that are environmentally friendly and cost-effective, and also follow the principles of the waste hierarchy.

Making reuse and recycling easier for consumers

We aim to make products more sustainable, which includes reducing waste impacts and helping consumers to reduce their waste footprint. Our design and material choices help to make our packaging reusable or recyclable, and increase its recycled content. For example, we're swapping multi-layer laminates for mono-materials which are easier to recycle, and we're removing black dyes from our bottles that can impede the recycling process. We are also reducing the amount of material used within packaging through processes such as lightweighting or offering refill packs.

For more details on these initiatives, see our **Plastics and Packaging Insight**

Looking ahead

We will continue to look for better ways to avoid, reduce, reuse or recycle our waste. Eliminating waste and making our processes more efficient, by doing more with less, improves our productivity and makes us more sustainable. Our sustainability and productivity teams will continue to work together to find new ways of increasing productivity by using fewer resources and reducing environmental impact.

We will also be delivering on our war on waste campaign through our Reckitt Production System (RPS), where waste reduction has been a key focus and success for many of our sites. With the rollout of RPS across our business units, sites are able to take a systematic approach to assessing and reducing material waste from our production processes, using proven guidance, recommended techniques and support tools. A combination of waste and process mapping is enabling sites to identify opportunities to eliminate waste at source as well as segregate it, allowing it to be more easily reused and recycled.

We will also innovate to reduce waste. By following green chemistry principles, we're starting to identify more recycled ingredients for our products.

For more on this, see our **Product Stewardship Insight**

We will continue to use our brands to encourage consumers to behave in ways that avoid waste and help them dispose of packaging responsibly when products are finished. For example, our new powder to liquid solutions for Dettol hand wash in India mean the bottle can be reused up to 20 times.

For more detail, see our **Plastics and Packaging Insight**