

Rejuvenating Sustainable Growth

Reckitt Benckiser Investor Relations
Autumn 2020

Our Strategy


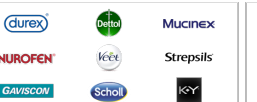

Clear purpose to everything we do

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

Compelling financial algorithm¹

- **sustainable mid-single digit** net revenue growth
- **mid-20s** margins by the mid-20s
- **7-9%** earnings per share growth
- **strong** free cash conversion

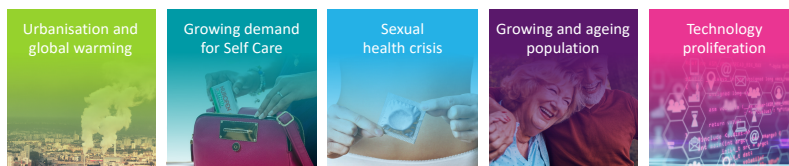
Focused businesses with clear priorities for growth

Hygiene	Health	Nutrition
£5.0bn or c.40% of RB	£4.5bn or c.35% of RB	£3.4bn or c.25% of RB
		
RB Focused Market Growth c.+3-5%pa	RB Focused Market Growth c.+4-6%pa	RB Focused Market Growth c.+3-5%pa

Strong, well-invested, heritage brands with market leading positions

Underpinned by investments in digital, eCommerce, channels and innovation

Sustainable trends = above average market growth



Driving change at RB

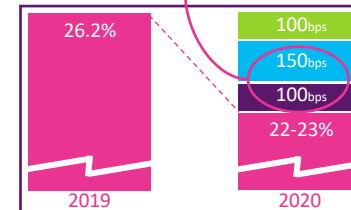
Over £2bn reinvestment in growth

Productivity^{1,2}
£1.3bn / 3 yrs

Direct Procurement	30%
Supply Chain	23%
Design to Value	10%
Indirect Procurement	12%
Network / Cost Optimisation	25%

Capital Investment¹
>4% of NR / 2 yrs

2020 "Margin reset"¹
250bps



Outperformance¹
Reinvesting to secure growth for Dettol, Lysol, in professional and accelerate eCommerce

Investing in Growth Enablers

Customer service

- Supply chain agility
- Sales and marketing excellence
- Category Market Unit expansion
- Global and regional customer teams

Products, Brands and Channels

- R&D and product innovation
- Channel development e.g. eCommerce, Professional and new adjacencies
- Brand Equity Investment

People, Culture and Risk

- New organisation structure with the best of old RB and new talent
- Embedding a new culture, focused on a clear purpose, fight and compass
- SQRC – Safety, Quality, Regulation and Compliance
- IT integration, process automation and back-office simplification

Growth drivers

Penetration

Serving categories with scope to increase product penetration e.g. auto-dishwasher, self-care medications and antiseptics in surface cleaning

Market share

Winning with end-consumers and customers through better product innovation, commercial execution, eCommerce and supply chain performance

New places

Growing our footprint in new countries and markets with established heritage products and brands

New spaces

Capturing new market opportunities through category extension, product innovation and R&D

Our Fight and Compass

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

Compass: sets our our guiding behaviours, centred around 'doing the right thing, always'



Our Performance

Revenue growth +13.3% Q3 +12.4% YTD

Hygiene

+17.2% YTD

driven by Lysol, Finish and Air Wick, with double-digit growth in most markets

Health

+15.5% YTD

strong demand for Dettol, improved trends in Durex, OTC up YTD after strong H1

Nutrition




+1.1% YTD




improving infant formula performance and continued strong growth for Airborne

Other highlights YTD




- Productivity programme ahead of plan with £300m YTD savings
- Supply chain improvements gaining momentum and recognition
- Investment in growth enablers; focus on new people and ways of working
- New organisational structure in place since 1 July

Starting to see the early benefits of our investments in improved execution and growth; we will continue to invest in the fundamental capabilities to support growth

 Harpic India households +20m  Lysol +9m US households  Airborne US revenue 100%+

 Enfinitas share growth in China  Finish US share +70bps  Durex gains in China and India

New Professional partnerships⁴  Hilton  airbnb  Delta  Dettol  Lynal 19 new countries for Dettol and Lysol in 2020

Air Wick Essential Mist  Lysol Laundry Sanitizer  Guardium PPI technology 

Commitments and ambitions

RB Fight for Access Fund: to invest c.1% pa of operating profit to help deliver our Fight

Reckitt Global Hygiene Institute: to drive better hygiene behaviour across the world

Carbon neutral by 2040: accelerate delivery of the Paris Climate Change Agreement

Strong financial discipline

Maintain financial ratios consistent with **single A ratings** over time

Focused on delivering **strong free cash conversion**

Rigorously manage the portfolio to actively migrate to higher growth