




4 Empowering and developing our people



Our people are what make RB great.
Key ingredients essential for outperformance include keeping people safe, promoting diversity and inclusion, ensuring everyone is treated with respect and acts responsibly, and providing opportunities for our people to develop their skills and careers



“A diverse workplace goes to the heart of our passion to outperform.”

Gurveen Singh
Chief Human Resources Officer



Our people

At RB our outperformance starts with our people. We empower and develop colleagues in line with our values of ownership and entrepreneurship to deliver our purpose and drive our results.

Global issues



Our culture and values

Promoting a way of working and behaving that enables us to live our purpose.

Inclusive leadership

Leveraging the diversity of our talent to foster greater innovation and drive outperformance.

Reward and incentivisation

Combining a clear focus on pay for performance with RB's values and business model.

Employee wellbeing

Supporting and encouraging our people to lead healthier and happier lives.

Our culture and values

The unique culture at RB favours decision making at all levels. We are guided by our purpose and driven by a passion for outperformance.

In 2017 we introduced five principles that will guide and shape the way we operate throughout the transformation and beyond. We are obsessed with the *frontline, ownership & entrepreneurship and radical simplification*. We are *ready to disrupt* – digitally and with innovation – and the business unit (BU) structure enables a category focus and the development of expertise for different consumer segments.

The integration of Mead Johnson Nutrition presented an opportunity to review and reinvigorate our core values – ensuring that a shared culture sits at the heart of the business. We have five core values that combine to create a unique culture and identity that guide our behaviour, inform our recruitment and reward processes, support our purpose and drive us to continually aim for outperformance in whatever we do.

Responsibility underpins our culture and sits at the heart of our values. It means doing the right thing, even when it is hard, always putting the safety of our people and consumers first, and leading and acting with integrity.

In 2017, awareness and engagement events took place to embed the shared culture and values throughout the organisation.



Case study Spreading the word, Pakistan



RB Pakistan's team ran numerous engagement and education activities to help further embed the values across the organisation. An initial town hall meeting was supported by workshops, quizzes, crosswords and an interactive commitment board, where employees shared the ways they are living the values. The initiative resulted in value ambassador roles being established to keep the momentum going.

Case study RB values film festival, Romania

In Romania, teams of eight to ten people worked together to produce videos showcasing the ways in which RB's values are being lived. For further entertainment, additional interactive challenges took place, such as GPS treasure hunts. The main theme of the day was imagination!



Our people continued

Diverse and inclusive leadership

We are committed to helping deliver the UN Sustainable Development Goal (SDG 5) that addresses gender equality, and we take huge pride in our globally diverse workforce.

Improving gender balance and developing female leadership, engagement and retention are key focus areas for all functions and management levels across RB. In 2017 project DARE continued to promote the Development, Attraction, Retention and Engagement of talented women. DARE events, sponsored by Executive Committee members, attracted both male and female participants, lending further support to the gender diversity drive within RB. Lean In Circles give women an opportunity to 'lean in' and support each other, helping to build their networks. We now have 73 global Lean In Circles made up of over 660 members in addition to hundreds of local Lean In Circles within markets.

Unconscious bias and inclusive leadership are a core topic in RB's leadership development programmes, provided to over 1,500 managers in 2017. There is a continued focus to improve gender balance at all leadership levels, with diverse candidate slates being a prerequisite in our external recruitment and internal leadership succession planning processes.

Employee wellbeing

In 2017 we launched the **liveyourbest** movement – a global programme that encapsulates the elements of our vision and distils it into practical guidance, local activities and encouragement for employees to put the vision into practice for themselves in their everyday lives.

With 4 pillars – emotional, physical, community and financial – **liveyourbest** provides a wide range of possibilities for a better life. The decentralised nature

of the programme means that across the world, countries and colleagues are able to focus on the activities that are most applicable to their individual circumstances or market setting.

During the year, we continued with our mentoring programmes for highly talented female leaders, with over 60% of our most senior female leaders participating across the business and many more junior females also taking part. In addition, the 'Stay in Touch Programme' helps to maintain contact between RB and mothers or mothers-to-be. Over 200 mums-to-be and new mums attended maternity webinars organised globally that provide support and guidance to women starting or returning from maternity leave.

This year the number of female leaders at Top 400 level increased to 24% from 20% in 2016, and in 2018 we will continue to focus on further embedding DARE and driving initiatives to improve gender balance.

Diversity for RB does not stop at gender. A diverse cultural balance is one of the characteristics of the RB workforce. Two-thirds of our sales and marketing leaders are working outside their home countries, and the vast majority of our senior leadership have international experience. Of the Top 40 managers in the company, 77% are non-UK nationals.

In May 2017 the inaugural **liveyourbest** week facilitated focused engagement on each of the four pillars, with our employees around the world participating. A broad range of activities continue across RB's global operations, spread across the four activity pillars.

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Making progress betterbusiness

Aim

Status in 2017

Double the number of females in senior management positions from a 2016 baseline

24%

of senior management are women

Case study Lean In Circles

RB launched a Lean In Circle series under the umbrella of project DARE with young female boxers aged 12 to 20 in Karachi, Pakistan. The ambitious and passionate participants connected with female RB employees who provided coaching and mentoring, helping develop confidence, self-awareness, communication skills and vision building. The programme in turn helps develop the coaching skills of the RB team.



Reward and incentivisation

RB's remuneration philosophy combines a clear focus on pay for performance with RB's values and business model to define how remuneration decisions are made. Core to the RB approach is the value of ownership, with individual achievements rewarded. In addition to salaries and benefits that fairly reward people for their contributions, skills and experience, RB also offers the opportunity to share in the company's success, for example by participating in share saving plans.

In living our values we encourage ownership amongst all employees, providing everyone an opportunity to share in RB's success. All employees globally can participate in the company share plan – a savings plan in which colleagues can save over three years any amount up to £250 per month. Deductions from payroll are used to purchase shares at a discount of 20% from the share price at the start of any given period, meaning that after three years the purchase price is that initially established. This means that gains can be made both from the discount as well as from any share price growth. Following the integration, MJN colleagues were immediately eligible to participate in the scheme.

Case study liveyourbest Walk across Canada – Steps Challenge

RB employees in Canada took to their feet in a bid to become healthier, tracking the number of steps taken by individuals in a bid to see whether the wider team could walk a combined distance equal to the width of Canada. Over a three-week period, 8,450 km were covered with people walking to meetings and lunch, as well as 30 minutes of other physical activity every day.

Case study liveyourbest Weigh-To-Go DvM weight loss challenge

Across Developing Markets (DvM), RB employees competed to lose weight over a six-month period through healthy weight loss. By driving momentum and focusing on the physical pillar of liveyourbest, participants adopted positive lifestyle interventions including more healthy eating and exercise. The effects were impressive and long-lasting with the winner losing 23% of his body weight in an impressive transformation.

Health & safety

It is the duty of employers to keep their people safe and healthy at work by minimising their exposure to risks and providing training, education and encouragement where it is needed.

Keeping people safe at work

We strive to create a safe work environment in which employee safety is put first wherever people work, from our research facilities through to manufacturing sites, warehouses and commercial offices. Every location operates a health & safety management system that adheres to the Company's occupational health & safety policy, global standards, code of business conduct and other specific guidance. The importance of these standards is recognised by our senior management team and forms an integral part of our culture and RB's responsibility value.

Since 2001 we have reduced our injury rate across operations by 91% and total recordable accident rate by 33% since 2013. Despite this progress, we remain determined to drive further improvements. Regrettably, in 2017 two RB employees had severe accidents relating to machine guarding, prompting a full investigation and subsequently resulting in enhancements to machine guarding standards and practices across the entire organisation.

Organised travel accidents involving multiple employees in both Mexico and Thailand have highlighted our responsibility to ensure the safety of our people travelling to and from work. We have revised the classification of our Lost Work Day Accident Rate (LWDAR) from 2017 to include accidents associated with organised travel and commercial offices. LWDAR for 2017 excluding organised travel and commercial accidents is 36% lower than 2012.

Case study Driver training in India



A defensive driving and road safety training and awareness campaign was run for RB employees across India. The course resulted in 'golden rules' being established, supported by practical training, knowledge sharing among employees, tests before and after training, leadership messaging, and pledges being made by employees. In total, 2,589 employees dedicated over 7,000 hours during the year and further training sessions are planned for 2018.

Global issues



Safe at work

Providing a place of work in which people feel safe and secure and where their longer-term health is not adversely affected.

Driver safety

Ensuring that our people avoid motor-related incidents by providing road safety education and roadworthy vehicles.

A health & safety culture

Making health & safety a part of how people think and operate when at work, both individually and collectively.

Road safety

Road traffic accidents continue to be a cause of injury to RB employees, particularly within commercial operations. In response to this, RB has developed a Road Safety Standard that defines safer ways for colleagues to travel for business purposes or when commuting to work. Awareness initiatives during the year aimed to improve drivers' behaviour through education programmes and suggested preventative actions. A dedicated Road Safety Yammer page also helped to connect the RB community with over 3,500 colleagues sharing experiences, tips and initiatives such as the global Road Safety Week in November.

Building a health & safety culture

By fostering a culture of health and safety at work, we believe we can continue to reduce the number of incidents that occur. At RB, we call this a

safety-first culture. This means creating a workplace environment in which people consider their day-to-day behaviour and activities from a health & safety perspective, and feel empowered to discuss any concerns or improvement opportunities with colleagues and line managers.

Safety culture assessments performed across RB sites during 2017 have helped to build an understanding of how colleagues perceive and engage health & safety when at work. In addition, culture surveys were used to further understand existing views on workplace safety culture. Results from these engagement programmes help to identify ways in which we can enhance safety practices and build a more health & safety-focused culture, both at a local level and more generally across the organisation.

Making progress betterbusiness

Aim	Status in 2017
Continued reduction of Lost Work Day Accident Rate vs 2012	13% increase in LWDAR since 2012
All manufacturing sites with OHSAS 18001 certification achieved ¹	96% achieved

¹ Excluding recently acquired MJN sites.

Human rights

Everyone is entitled to live with dignity, freedom, equality, justice and in peace. We must do our utmost to ensure these fundamental principles are fully respected.

Enhancing our focus to deliver change

In a world where there is significant social, political and economic uncertainty and change, businesses play an increasingly crucial role in ensuring that the human rights of workers, communities, employees and consumers are respected.

In 2017 we issued our first Modern Slavery Act statement and significantly enhanced the robustness and capabilities of our Human Rights compliance programme having established a dedicated team with regionally based resources.

We entered into a partnership with Intertek, who provide four regional Human Rights leads responsible for engaging with suppliers and internal teams in their respective regions. Within our highest risk regions – South Asia, the Middle East and Africa – we have directly employed human rights experts who proactively engage with suppliers and local procurement teams at a level previously not possible, resulting in a more collaborative approach to delivering sustained improvements in labour, health & safety, environment and business integrity standards within a challenging supply chain.

Effectively ensuring compliance

We have made understanding the baseline compliance of our third-party manufacturers (Copackers) a key priority in 2017, with a particular focus on South and North Asia, Africa, the

Case study Dubai



RB co-sponsored an AIM-Progress supplier workshop in Dubai focused on the challenges associated with recruiting and managing migrant labour. Speakers from FSI Worldwide and Vérité provided our suppliers with an overview of the complexity of the challenges faced within the region, the systemic issues associated with implementing anti-forced labour standards and examples of best management practices supported by local supplier testimonials.

Global issues



Fair labour practices

Our goal is to ensure that places of work are safe, diverse, fair and respectful, and where forced, bonded and slave labour are eradicated.

Poverty and global inequality

We aim to provide decent employment opportunities and conditions for those within our supply chain to help deliver inclusive and sustainable economic growth.

Middle East and Turkey, resulting in 94 Copackers being audited, and all those deemed as high-risk having now been assessed. Moving forward, we will engage with Copackers to ensure effective remediation of issues to deliver meaningful and sustained improvements of the working conditions within these facilities, positively impacting workers. Learn more about our performance and approach in the Detailed Sustainability Report 2017 at rb.com.

Proactive engagement and partnership

On-the-ground compliance activities have led to targeted internal and external capability building initiatives, such as supplier workshops in India and Dubai. Suppliers are engaged on relevant topics that improve their understanding of issues, how to best manage them, and deliver positive change within their facilities and supply chain. Across the business, interactive human rights training was launched for all management employees on RB's human rights and responsible business requirements and reporting processes. The training has been taken by 11,873 employees, which represents 76% of all management level employees globally.

To effectively tackle human rights challenges, collaboration with industry, governments and other societal actors is essential. We are members with a leadership position within AIM-Progress – a forum of leading fast moving consumer goods (FMCG) manufacturers and common suppliers that enable and promote responsible sourcing practices and

sustainable supply chains. RB sits on the leadership team and co-chairs the Capability Building work-stream.

Future plans

Going forward, we plan to take a more holistic view of human rights by focusing on stakeholders within our value chain: from suppliers and partners to employees and end-consumers of products. In 2018, we are planning a range of initiatives to further develop our programme. These include identifying an independent global partner to provide expertise and guidance on our approach to enhancing human rights, further developing supplier grievance mechanisms, auditing high-risk raw and packaging material suppliers and conducting an impact assessment to measure the effectiveness of our programme. We are also looking at how we can expand the scope of our internal human rights programme beyond our manufacturing sites.

Making progress betersociety

Aim	Status in 2017
100% of management employees completing human rights training by 2018	76% trained