

Chair's Statement

SHARPER, SIMPLER AND FIRMLY FOCUSED ON THE FUTURE

Sir Jeremy Darroch
Chair

2025 was a year of progress for Reckitt. We are in a strong position, with the foundations in place to underpin sustainable long-term performance.

We are more agile and intentional and, therefore, better able to navigate global challenges and seize the opportunities that make us more competitive. We are focused and delivering, but we also know that there is more to do.

The foundations for growth are built and delivering

Last year, we laid out an update to our strategy, to streamline our portfolio, simplify our organisation, and refresh our leadership and Board. The plan was bold, with many simultaneous actions and an ambitious timeline, but the objective was clear: to build a world-class health and hygiene company with one of the strongest growth and margin profiles of our peer group; a business that would create enduring returns for shareholders, both now and for years to come.

The Board and I remain fully behind the strategy which, at its heart, is about a sharpened focus on 11 much-loved and trusted Powerbrands. All of these well-known brands are leaders in attractive and growing categories, boosted by long-term tailwinds from global demographic and macroeconomic trends, such as consumers' greater interest in health, wellness and hygiene.

Honing our portfolio to Core Reckitt also means that some parts of Reckitt have become non-core and so in December we completed the divestiture of Essential Home. While this business has some outstanding brands and an excellent management team, we recognised that another owner would be better placed to maximise its inherent potential. As an ongoing equity shareholder, we look forward to the value creation we believe its new ownership will unlock.

To support our streamlined portfolio, we also created a more effective operating model and a simpler organisation, and I am pleased to say that these are now embedded. Change is not always easy, but we firmly believe this work has been right and important for Reckitt and our stakeholders, and I want to recognise the significant efforts and talent of both the management team for leading the charge, and our employees around the world for their focused execution and delivery.



We are confident of Reckitt's strengths and potential to deliver growth and value creation. Our objective is to create one of the strongest growth and margin profiles of our peer group.

Leadership that brings experience, insight and value to everything we do

Change has not been limited to our strategy and operations. We have also considered how we think about governance and stewardship of the Company, and this has led to changes within our Board of Directors. The role of the Board is, of course, to oversee the execution and delivery of the corporate strategy in a way that is both supportive and challenging. As such, we continue to review Board succession and bring in Directors with insight that matches our strategic priorities, leaders who can really add value and perspective to our management team of the future.

This includes Pat Verduin, who joined the Board in June 2025 and now chairs the Compliance Committee. As the former Chief Technology Officer at Colgate Palmolive, Pat has extensive experience in global R&D and product safety and quality, along with expertise in driving innovation and improving product sustainability. We were also pleased to welcome Stefan Oschmann and Mahesh Madhavan earlier in the year, and I would like to extend sincere thanks to Mary Harris and Mehmood Khan who both stepped down during the year. I wish them well in their future endeavours.

Chair's Statement continued



Addressing colleagues at the 2025 Reckitt Leadership Conference

During the year, Board members were able to experience Reckitt's corporate culture firsthand. For example, a visit to our Science & Innovation Centre in Hull demonstrated how digital improvements and GenAI are expanding Reckitt's R&D capabilities, and we dug into our local partnerships and community outreach, which are hugely important in this city where Reckitt was born. Meanwhile, a visit to Nottingham was a chance to learn how value creation sits at the very heart of the factory. I was also pleased personally to explore our operations in the USA and Italy, and find out more about performance, priorities and the long-term growth trajectory with teams in those regions. More details can be found on page 15.

In November, a UK employee workshop enabled the Board to hear directly from colleagues across four key areas: category growth and sustainability, excellence in execution, transformation and the next generation of Reckitt leaders. It was also a key moment to hear about life at Reckitt during this year of transition.

Our distinctive culture unifies colleagues and teams across the world

The feedback we received from colleagues during all of these engagements has reinforced just how important Reckitt's culture is. As a multinational organisation, we necessarily tailor our execution to the cultural norms of the markets in which we operate, but the corporate culture is the universal glue that connects and drives teams across the Business. No matter the region or country, it is our culture, more than anything else, that will lead Reckitt to grow and succeed.

A business really can only be as good as its people and here Reckitt is extremely fortunate. We have a strong pool of talent across all our geographies and our people are resilient, energetic and motivated by challenge and opportunity. After nearly two years as Chair, I have witnessed myself the lengths our people go to, to make the Business better, and the Board and I thank them for their commitment and contributions.

Creating greater value for our shareholders

Finally, I would like to thank our shareholders for continuing to support our Business. I have been pleased to see we are starting to create the shareholder value that was formerly a hallmark of Reckitt's reputation and that we are once more gaining market recognition. It is yet more evidence that our strategy is working.

The Board and management team are all focused on and committed to continuing this shareholder value creation journey. This means running the Business in a disciplined way and deploying our capital in support of the most important growth opportunities that allow us to meet our goals. We will also always return excess capital to shareholders and I am pleased to say we returned £2.3 billion to shareholders through our share buyback programme and dividends paid in the year.

At this moment in time, Reckitt is exactly where we want to be and, indeed, where we expected to be. We are more focused and we are delivering. The job ahead is to keep on delivering.

Sir Jeremy Darroch
Chair



Celebrating 50 years of innovation and excellence at our factory in Nottingham, UK