HEALTH · HYGIENE · HOME

Reckitt Benckiser Treasury Services plc

(incorporated as a public limited company in England and Wales with registered number 05960843)

Reckitt Benckiser Treasury Services (Nederland) B.V.

(incorporated as a private limited liability company in the Netherlands with registered number 77869540)

€850,000,000 0.375 per cent. Senior Notes due 2026
€850,000,000 0.750 per cent. Senior Notes due 2030
£500,000,000 1.750 per cent. Senior Notes due 2032

fully and unconditionally guaranteed by

Reckitt Benckiser Group plc

(incorporated as a public limited company in England and Wales with registered number 06270876)

The €850,000,000 0.375 per cent. Senior Notes due 2026 (the "**2026 Euro Notes**") and the €850,000,000 0.750 per cent. Senior Notes due 2030 (the "**2030 Euro Notes**", and together with the 2026 Euro Notes, the "**Euro Notes**"), will be issued by Reckitt Benckiser Treasury Services (Nederland) B.V. The £500,000,000 1.750 per cent. Senior Notes due 2032 (the "**Pound Sterling Notes**", and together with the Euro Notes, the **Notes**") will be issued by Reckitt Benckiser Treasury Services plc (an "**Issuer**" and, together with Reckitt Benckiser Treasury Services (Nederland) B.V., the "**Issuers**"). The payment of all amounts due in respect of the Notes will be fully and unconditionally guaranteed by Reckitt Benckiser Group plc (the "**Guarantees**" and the "**Guarantor**", respectively).

Interest on the 2026 Euro Notes will be payable annually in arrears on 19 May of each year, commencing on 19 May 2021. Interest on the 2030 Euro Notes will be payable annually in arrears on 19 May of each year, commencing on 19 May 2021. Interest on the Pound Sterling Notes will be payable annually in arrears on 19 May of each year, commencing on 19 May 2021. The 2026 Euro Notes will mature on 19 May 2026, the 2030 Euro Notes will mature on 19 May 2030 and the Pound Sterling Notes will mature on 19 May 2032.

Reckitt Benckiser Treasury Services (Nederland) B.V. may redeem the Euro Notes, in whole or in part, at its option, at any time and from time to time prior to 19 February 2026 for the 2026 Euro Notes and 19 February 2030 for the 2030 Euro Notes at the "make-whole" redemption price plus accrued and unpaid interest (including any additional amounts) on the principal amount of the relevant Euro Notes to be redeemed to but excluding the redemption date for the relevant Euro Notes. In addition, Reckitt Benckiser Treasury Services (Nederland) B.V. may redeem the Euro Notes, in whole or in part, at its option, at any time and from time to time on and after 19 February 2026 for the 2026 Euro Notes and 19 February 2030 for the 2030 Euro Notes at a redemption price equal to 100.00 per cent. of the principal amount of the relevant Euro Notes to be redeemed, plus accrued and unpaid interest to the redemption date for the relevant Euro Notes.

Reckitt Benckiser Treasury Services plc may redeem the Pound Sterling Notes, in whole or in part, at its option, at any time and from time to time at the "make-whole" redemption price.

The Issuers, as applicable, may also redeem each series of the Notes, in whole and not in part, upon the occurrence of certain changes in tax law.

The Notes and the Guarantees will be direct, unsubordinated and unsecured indebtedness of the Issuers and the Guarantor, respectively, and will rank equally in right of payment among themselves and with all other existing and future unsubordinated and unsecured indebtedness of the Issuers and the Guarantor, respectively. In addition, pursuant to a deed poll guarantee dated 19 May 2020 (the "**Deed Poll**"), Reckitt Benckiser Treasury Services plc will be unconditionally and irrevocably guaranteeing the obligations of Reckitt Benckiser Treasury Services (Nederland) B.V. in respect of the Euro Notes ("**the Euro Notes Intercompany Guarantee**").

This Offering Memorandum has been approved as a prospectus by the Financial Conduct Authority (the "**FCA**"), as competent authority under Regulation (EU) 2017/1129 (the "**Prospectus Regulation**"). The FCA only approves this Offering Memorandum as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Approval by the FCA should not be considered as an endorsement of the Issuers or the Guarantor or of the quality of the Notes that are the subject of this Offering Memorandum. Investors should make their own assessment as to the suitability of investing in the Notes that are the subject of this Offering Memorandum.

Application has been made to the FCA for each series of the Notes to be admitted to the official list of the FCA (the "**Official List**") and for the Notes to be admitted to trading on the regulated market of the London Stock Exchange plc (the "**London Stock Exchange**") (the "**Market**"). The Market is a regulated market for the purposes of the Markets in Financial Instruments Directive (Directive 2014/65/EU) (as amended) ("**MiFID II**"). References in this Offering Memorandum to the Notes being listed (and all related references) shall mean that the Notes have been admitted to trading on the Market and have been admitted to the Official List. This Offering Memorandum comprises a prospectus for the purposes of Article 6(3) of the Prospectus Regulation.

Investing in the Notes involves a high degree of risk. See "*Risk Factors*" beginning on page 31.

Offer Price for the 2026 Euro Notes: 99.433 per cent.
Offer Price for the 2030 Euro Notes: 99.904 per cent.
Offer Price for the Pound Sterling Notes: 98.746 per cent.
plus, in each case, accrued interest, if any, from 19 May 2020

The Notes and the Guarantees have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), or the securities laws of any state of the United States or other jurisdiction, and may not be offered or sold in the United States or to, or for the account or the benefit of, U.S. persons (as defined in Regulation S under the Securities Act ("**Regulation S**")), except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable securities laws of any state of the United States and any other jurisdiction. Accordingly, the Notes are being offered or sold (i) outside the United States to persons that are not U.S. persons in reliance on Regulation S (the "**Regulation S Notes**") and (ii) within the United States in reliance on Rule 144A under the Securities Act ("**Rule 144A**"), only to persons who are "qualified institutional buyers" (each a "**QIB**") within the meaning of Rule 144A (the "**Rule 144A Notes**"), and in accordance with any applicable securities laws of any state of the United States and any other relevant jurisdiction. Each purchaser of the Notes in making its purchase will be deemed to have made certain acknowledgements, representations and agreements. Prospective purchasers are hereby notified that sellers of the Rule 144A Notes may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. The Notes are subject to other restrictions on transferability and resale, see "*Plan of Distribution*" and "*Transfer Restrictions*". Delivery of the Notes of each series in book-entry form is expected to be on or about the Issue Date. The Notes of each series will be issued in registered form in minimum denominations of £100,000/€100,000 and integral multiples of £1,000/€1,000 in excess thereof, as applicable.

The 2026 Euro Notes will be represented at all times by interests in a registered form global note without coupons attached (each a "**2026 Euro Global Note**") deposited on or about the Issue Date with a common safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and registered in the name of a nominee of the common safekeeper. The 2030 Euro Notes will be represented at all times by interests in a registered form global note without coupons attached (each a "**2030 Euro Global Note**", and together with the 2026 Euro Global Note, the "**Euro Global Notes**") deposited on or about the Issue Date with a common safekeeper for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee of the common safekeeper. The Pound Sterling Notes will be represented at all times by interests in a registered form global note without coupons attached (each a "**Pound Sterling Global Note**") deposited on or about the Issue Date with a common depositary for Euroclear and Clearstream, Luxembourg. See "*Book-Entry Clearance Systems*". Interests in the Euro Global Notes and the Pound Sterling Global Notes will be shown on, and transfers thereof will be effected only through, records maintained by Euroclear and Clearstream, Luxembourg. Definitive Notes evidencing holdings of interests in the Global Notes will be issued in exchange for interests in the Global Notes only in certain limited circumstances described herein.

It is expected that the Notes will be rated "A–" by Standard & Poor's Global Ratings ("**S&P**") and "A3" by Moody's Investors Service Ltd. ("**Moody's**"), subject to confirmation at closing. A credit rating is not a recommendation to buy, sell or hold the Notes and may be subject to revision, suspension or withdrawal at any time by the assigning rating organisation. There is no assurance that a rating will remain for any given period of time or that a rating will not be lowered or withdrawn by the relevant rating agency if, in its judgment, circumstances in the future so warrant. In the event that a rating initially assigned to the Notes is subsequently lowered for any reason, no person or entity is obliged to provide any additional support or credit enhancement with respect to the Notes and the market value of the Notes is likely to be adversely affected. Each of S&P and Moody's is established in the European Union and is registered under Regulation (EC) No. 1060/2009, as amended.

Active Bookrunners

Deutsche Bank	**HSBC**	**J.P. Morgan**	**Morgan Stanley**

Co-managers

BNP PARIBAS	**BofA Securities**	**Citigroup**	**Mizuho Securities**	**MUFG**
RBC Capital Markets	**Santander**	**SMBC Nikko**	**Société Générale Corporate & Investment Banking**	**Standard Chartered Bank**

The date of this Offering Memorandum is 13 May 2020.

TABLE OF CONTENT

In this Offering Memorandum, unless the context otherwise requires, "**Issuers**" refers to Reckitt Benckiser Treasury Services plc, a public limited company incorporated in England and Wales with registered number 05960843 and Reckitt Benckiser Treasury Services (Nederland) B.V., a private limited liability company incorporated in the Netherlands with registered number 77869540; "**Reckitt Benckiser**", "**RB**", the "**Company**" and the "**Guarantor**" refer to Reckitt Benckiser Group plc, a public limited company incorporated in England and Wales with registered number 06270876; and "**we**", "**us**", "**our**" and the "**Group**" refer to Reckitt Benckiser and its consolidated subsidiaries. Please refer to "*Definitions and Glossary*" for other defined terms used herein.

IMPORTANT INFORMATION

You should rely only on the information contained or incorporated by reference in this Offering Memorandum. None of the Issuers, the Guarantor or any of the initial purchasers named in "*Plan of Distribution*" (collectively, the "Initial Purchasers") has authorised anyone to provide you with different information. None of the Issuers, the Guarantor or any of the Initial Purchasers is making an offer of the Notes in any jurisdiction where this offer is not permitted. You should not assume that the information contained or incorporated by reference in this Offering Memorandum is accurate at any date other than the date on the front of this Offering Memorandum. Our business, financial condition, results of operations and prospects may have changed since the relevant date. Other than in relation to the information incorporated by reference, the information on the websites to which this Offering Memorandum refers does not form part of this Offering Memorandum and has not been scrutinised or approved by the FCA.

This Offering Memorandum is confidential and has been prepared by us solely for use in connection with this offering of the Notes (the "**Offering**"). This Offering Memorandum is personal to each offeree and does not constitute an offer to any other person or to the public generally to subscribe for or otherwise acquire the Notes. Distribution of this Offering Memorandum to any person other than the prospective investor and any person retained to advise such prospective investor with respect to the purchase of the Notes is unauthorised, and any disclosure of any of the contents of this Offering Memorandum, without our prior written consent, is prohibited. Each prospective investor, by accepting delivery of this Offering Memorandum, agrees to the foregoing and to make no photocopies of this Offering Memorandum or any documents referred to in this Offering Memorandum.

In making an investment decision, prospective investors must rely on their own examination of us and the terms of this Offering, including the merits and risks involved. You should base your decision to invest in the Notes solely on information contained or incorporated by reference in this Offering Memorandum. Neither we nor the Initial Purchasers have authorised anyone to provide you with any different information. In addition, neither we nor any Initial Purchaser or Deutsche Bank Trust Company Americas (the "**Trustee**"), nor any of our or their respective representatives is making any representation to you regarding the legality of an investment in the Notes, and you should not construe anything in this Offering Memorandum as legal, business or tax advice. You should consult your own advisors as to legal, tax, business, financial and related aspects of an investment in the Notes. This Offering Memorandum does not constitute an offer to sell or an invitation to subscribe for or purchase any of the Notes in any jurisdiction in which such offer or invitation is not authorised or to any person to whom it is unlawful to make such an offer or invitation. You must comply with all laws applicable in any jurisdiction in which you buy, offer or sell the Notes or possess or distribute this Offering Memorandum, and you must obtain all applicable consents and approvals. Neither we nor the Initial Purchasers or the Trustee shall have any responsibility for any of the foregoing legal requirements.

The Issuers and the Guarantor accept responsibility for the information contained or incorporated by reference in this Offering Memorandum. To the best of the knowledge of the Issuers and the Guarantor, the information contained or incorporated by reference in this Offering Memorandum is in accordance with the facts and this Offering Memorandum makes no omission likely to affect the import of such information. The information contained or incorporated by reference in this Offering Memorandum speaks only as of the date hereof and any information incorporated by reference herein speaks only as of the date of the document from which such information is incorporated by reference and each is subject to change without notice. Neither the delivery of this Offering Memorandum at any time after the date of publication nor any subsequent commitment to purchase the Notes shall, under any circumstances, create an implication that there has been no change in the information set forth in this Offering Memorandum or our affairs since the date of this Offering Memorandum.

The Initial Purchasers and the Trustee make no representation or warranty, express or implied, as to the accuracy or completeness of the information contained or incorporated by reference in this

Offering Memorandum, and nothing contained or incorporated by reference in this Offering Memorandum is, or shall be relied upon as, a promise or representation by the Initial Purchasers or the Trustee.

The information set out in relation to sections of this Offering Memorandum describing clearing and settlement arrangements, including "*Book-Entry Clearance Systems*," is subject to change in, or reinterpretation of, the rules, regulations and procedures of Euroclear and Clearstream, Luxembourg currently in effect. Such information has been sourced from the rules, regulations and procedures applicable to Euroclear and Clearstream, Luxembourg as stated in their publicly available guidance and materials. Euroclear and Clearstream, Luxembourg are not under any obligation to perform or continue to perform under such clearing arrangements and such arrangements may be modified or discontinued by any of them at any time. The Issuers will not, nor will any of their respective agents, have responsibility for the performance of the obligations of Euroclear and Clearstream, Luxembourg or their participants. Investors wishing to use these clearing systems are advised to confirm the continued applicability of these arrangements.

By receiving this Offering Memorandum, you acknowledge that you have had an opportunity to request from the Issuers for review, and that you have received, all additional information you deem necessary to verify the accuracy and completeness of the information contained in this Offering Memorandum. You also acknowledge that you have not relied on the Initial Purchasers or the Trustee in connection with your investigation of the accuracy of this information or your decision whether to invest in the Notes.

The Notes are subject to restrictions on transferability and resale and may not be transferred or resold, except as permitted under the Securities Act and the applicable state securities laws, pursuant to registration or exemption therefrom. As a prospective investor, you should be aware that you may be required to bear the financial risks of this investment for an indefinite period of time. Please refer to the sections in this Offering Memorandum entitled "*Plan of Distribution*" and "*Transfer Restrictions*".

The Issuers cannot guarantee that the application for the admission of the Notes to trading on the Market and to listing of the Notes on the Official List of the FCA and the London Stock Exchange will be approved as of the settlement date for the Notes or at any time thereafter, and settlement of the Notes is not conditional upon obtaining this listing.

MiFID II product governance/Professional investors and ECPs only target market – Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in MiFID II; and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a "**distributor**") should take into consideration the manufacturers' target market assessment; however, a distributor subject to MiFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

The Notes are not intended to be offered, sold or otherwise made available to and should not be offered, sold or otherwise made available to any retail investor in the European Economic Area ("**EEA**") or in the UK. For these purposes, a "retail investor" means a person who is one (or more) of: (i) a retail client as defined in point (11) of Article 4(1) of MiFID II; or (ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**IDD**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II. Consequently, no key information document required by Regulation (EU) No 1286/2014 (as amended, the "**PRIIPs Regulation**") for offering or selling the Notes or otherwise making them available to retail investors in the EEA or in the UK has been prepared and therefore offering or selling the Notes or otherwise making them available to any retail investor in the EEA or in the UK may be unlawful under the PRIIPs Regulation.

In connection with the Offering, the Initial Purchasers are not acting for anyone other than the Issuers and will not be responsible to anyone other than the Issuers for providing the protections afforded to their clients nor for providing advice in relation to the Offering.

The Issuers and the Initial Purchasers reserve the right to reject all or a part of any offer to purchase the Notes, for any reason. The Issuers and the Initial Purchasers also reserve the right to sell less than all the Notes offered by this Offering Memorandum or to sell to any purchaser less than the amount of the Notes it has offered to purchase.

IN CONNECTION WITH THE OFFERING OF THE EURO NOTES, DEUTSCHE BANK AG, LONDON BRANCH AS STABILISATION MANAGER (THE "**EURO NOTES STABILISATION MANAGER**") AND THE OFFERING OF THE POUND STERLING NOTES, DEUTSCHE BANK AKTIENGESELLSCHAFT AS STABILISATION MANAGER (THE "**POUND STERLING NOTES STABILISATION MANAGER**", AND TOGETHER WITH THE EURO NOTES STABILISATION MANAGER, THE ("**STABILISATION MANAGERS**")) (OR PERSONS ACTING ON BEHALF OF EACH OF THE STABILISATION MANAGERS) MAY OVER-ALLOT NOTES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE NOTES AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE ON WHICH ADEQUATE PUBLIC DISCLOSURE OF THE TERMS OF THE OFFER OF THE NOTES IS MADE AND, IF BEGUN, MAY CEASE AT ANY TIME, BUT IT MUST END NO LATER THAN THE EARLIER OF 30 DAYS AFTER THE DAY ON WHICH THE ISSUERS RECEIVED THE PROCEEDS OF THE NOTES AND 60 DAYS AFTER THE DATE OF THE ALLOTMENT OF THE NOTES. ANY STABILISATION ACTION OR OVER-ALLOTMENT MUST BE CONDUCTED BY THE STABILISATION MANAGERS (OR PERSONS ACTING ON BEHALF OF EACH OF THE STABILISATION MANAGERS) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES AND WILL BE UNDERTAKEN AT THE OFFICES OF THE STABILISING MANAGERS (OR PERSONS ACTING ON THEIR BEHALF) AND ON THE MARKET.

NOTICE TO INVESTORS IN THE UNITED STATES

The Notes and the Guarantees have not been and will not be registered under the Securities Act and, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act, may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons (as defined in Regulation S). The Notes are being offered and sold outside the United States to non-U.S. persons in reliance on Regulation S and within the United States to "qualified institutional buyers" ("**QIBs**") in reliance on Rule 144A. Prospective purchasers of the Notes are hereby notified that the seller may be relying on the exemption from the provisions of Section 5 of the Securities Act provided by Rule 144A. For a description of certain restrictions on offers, sales and transfers of the Notes, see "*Transfer Restrictions*" and "*Plan of Distribution*".

None of the U.S. Securities and Exchange Commission (the "SEC"), any state securities commission or any other regulatory authority has approved or disapproved of the Notes, nor have any of the foregoing authorities passed upon or endorsed the merits of this Offering or the accuracy or adequacy of this Offering Memorandum. Any representation to the contrary is a criminal offence under the laws of the United States.

THIS OFFERING MEMORANDUM CONTAINS IMPORTANT INFORMATION THAT YOU SHOULD READ BEFORE YOU MAKE ANY DECISION WITH RESPECT TO AN INVESTMENT IN THE NOTES.

INFORMATION REGARDING FORWARD-LOOKING STATEMENTS

This Offering Memorandum includes forward-looking statements within the meaning of the securities laws of certain applicable jurisdictions. These forward-looking statements include, but are not limited to, all statements other than statements of historical facts contained in this Offering Memorandum, including, without limitation, those regarding our results of operations, margins, growth rates, overall market trends, the impact of interest or exchange rates, the availability of financing, anticipated cost savings and the completion of strategic transactions.

Any statements about our expectations, beliefs, plans, objectives, assumptions or future events or performance are not historical facts and may be forward-looking. These statements are often, but not always, made through the use of words or phrases such as "will likely result," "are expected to," "will continue," "believe," " is anticipated," "estimated," " intends," "expects," "plans," "seek," "projection," "outlook," "aims," "may," "will," "forecast," "guidance," "plans," "potential," "predicts," "projected," "assumes," "shall," "could," or "should" or, in each case, their negative or other variations or comparable terminology or by discussions of strategies, plans, objectives, targets, goals, future events or intentions. We caution you that forward-looking statements are not guarantees of future performance and are based on numerous assumptions and that our actual results of operations, including our financial condition and liquidity and the development of the industries in which we operate, may differ materially from those made in, or suggested by, the forward-looking statements contained in this Offering Memorandum. Any forward-looking statements are qualified in their entirety by reference to the factors discussed throughout this Offering Memorandum. You are urged to read the sections entitled "*Risk Factors*," "*Operating and Financial Review*" and "*Our Business*" for a more complete discussion of the factors that could affect our future performance and the markets in which we operate.

The following cautionary statements identify important factors that could cause our actual results to differ materially from those projected in the forward-looking statements made in this Offering Memorandum:

- competition in the industries in which we operate;
- the impact of any changes in the value and relevance of our products to consumers around the world;
- our inability to successfully develop new or improved products and launch them in a timely manner;
- the impact on our reputation and strength of our brands as a result of quality-related issues, our environmental, social and governance standards across the supply chain or other negative publicity;
- the anticipated benefits of our strategy may not be realised;
- risks related to product safety and product liability;
- risks associated with attracting and retaining qualified personnel, including senior management;
- risks relating to our dependency on the continuity of supply of raw and packaging materials and finished goods from third parties;
- risks relating to the disruptions to the continuity of demand and supply of our products caused by the actual or perceived effects of a disease outbreak, including epidemics, pandemics or similar widespread public health concerns;

- the impact of the volatility in the price of commodities, energy and transportation;
- the impact of changes in global economic and political conditions;
- risks relating to exposure to certain developing market risks;
- the impact of demographic trends, scientific opinion and certain government programmes on the sales of infant and children's nutrition products;
- financial and reputational risk in relation to humidifier sanitiser products marketed historically by our Korean subsidiary;
- the impact of changes to applicable laws and regulations and any failure by us to comply with them;
- regulatory risks relating to anti-infant formula policies and legislation;
- risks relating to antitrust and competition laws in the countries in which we do business and failure by us to comply with them;
- risks relating to anti-money laundering and anti-corruption regulations and failure by us to comply with them;
- the impact of any current or future legal or regulatory proceedings in which we are involved;
- the impact of changes in applicable tax legislation; and
- the impact of other risks related to our business and operations, including, but not limited to, those related to health, safety and human rights, climate change and water scarcity, impact of changes to the sustainability of our products, our ability to reduce plastic use and increase recyclable content in our packaging, risks related to future acquisitions or divestures, disruptions and failures of our information technology systems, risks relating to labour disruptions and unions, exchange rate risks and other financial risks, and protection of our intellectual property.

The list above is not exhaustive and there are other factors that may cause our actual results to differ materially from the forward-looking statements contained in this Offering Memorandum. Please see "*Risk Factors*".

Because the risk factors referred to in this Offering Memorandum could cause actual results or outcomes to differ materially from those expressed in any forward-looking statements made in this Offering Memorandum by us or on our behalf, you should not place undue reliance on any forward-looking statements. Further, any forward-looking statement speaks only as of the date on which it is made and, unless required by applicable laws or regulations, we undertake no obligation to, and do not intend to, update any forward-looking statement to reflect events or circumstances after the date on which the statement is made or to reflect the occurrence of unanticipated events. New factors will emerge in the future, and it is not possible for us to predict which factors they will be. In addition, we cannot assess the impact of each factor on our business or the extent to which any factor, or combination of factors, may cause actual results to differ materially from those described in any forward-looking statements and we can provide no assurance that these assumptions will prove correct or that our expectations and beliefs will be achieved.

TRADEMARKS

We own or have rights to trademarks, service marks, copyrights and trade names that we use in conjunction with the operation of our business, including, without limitation, Enfamil, Nutramigen, Nurofen, Strepsils, Gaviscon, Mucinex, Durex, Scholl, Clearasil, Dettol, Veet, Lysol, Harpic, Cillit Bang, Mortein, Finish, Vanish, Calgon, Air Wick and Woolite.

This Offering Memorandum also includes trademarks, service marks and trade names of other companies. Each trademark, service mark or trade name of any other company appearing in this Offering Memorandum belongs to its holder. Use or display by us of other parties' trademarks, service marks or trade names is not intended to and does not imply a relationship with, or endorsement or sponsorship by us of, the trademark, service mark or trade name owner.

CERTAIN DEFINED TERMS

Certain terms used in this Offering Memorandum, including capitalised terms and certain technical and other items, are defined and explained in "*Definitions and Glossary*".

INCORPORATION OF CERTAIN INFORMATION BY REFERENCE

This Offering Memorandum should be read and construed in conjunction with the following documents, which have been previously published or are published simultaneously with this Offering Memorandum. The following financial information is incorporated by reference in this Offering Memorandum:

- the audited consolidated financial statements of RB as of 31 December 2019 and 2018 and for the years ended 31 December 2019 and 2018, together with the audit reports for the years ended 31 December 2019 and 2018 (the "**2019 Financial Statements**" and the "**2018 Financial Statements**", respectively, and together, the "**Financial Statements**");

- the unaudited first quarter 2020 trading update of RB as of and for the quarter ended 31 March 2020, excluding the last bullet in the section titled "Highlights" on page 1 therein and the section titled "Outlook" on pages 3-4 therein (the "**Q1 2020 Trading Update**"); and

- the audited financial statements of Reckitt Benckiser Treasury Services plc as of 31 December 2019 and 2018 and for the years ended 31 December 2019 and 2018, together with the audit reports for the years ended 31 December 2019 and 2018 (the "**2019 RBTS Financial Statements**" and the "**2018 RBTS Financial Statements**", respectively, and together, the "**RBTS Financial Statements**").

Such documents shall be deemed to be incorporated in, and form part of, this Offering Memorandum, except that any statement contained in a document deemed to be incorporated by reference herein shall be deemed to be modified or superseded for the purpose of this Offering Memorandum to the extent that a statement contained herein modifies or supersedes such earlier statement (whether expressly, by implication or otherwise). Any statement so modified or superseded shall not be deemed, except as so modified or superseded, to constitute a part of this Offering Memorandum.

Any documents themselves incorporated by reference in the documents incorporated by reference in this Offering Memorandum shall not form part of this Offering Memorandum. The parts of the above-mentioned documents which are not incorporated by reference into this Offering Memorandum are either not relevant for investors or covered elsewhere in the Offering Memorandum.

Copies of documents incorporated by reference in this Offering Memorandum may be obtained (without charge) from the registered office of the Guarantor or from the National Storage Mechanism website at http://www.morningstar.co.uk/uk/nsm. Except for the documents referred to herein as being incorporated by reference, none of the information contained on this website shall form part of this Offering Memorandum.

For further information on how copies of these financial statements can be obtained, see "*Listing and General Information—Documents Available for Inspection*".

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

Financial statements and Q1 2020 Trading Update of RB

The Group's financial years end on 31 December and references in this Offering Memorandum to years 2019, 2018 and 2017 are to the fiscal year ended 31 December of each such year. References in this Offering Memorandum to "**Q1**" are to the unaudited results of the three months ended 31 March of the year indicated.

The Financial Statements and the RBTS Financial Statements incorporated by reference in this Offering Memorandum have been audited by KPMG LLP, our independent auditor who are members of the Institute of Chartered Accountants in England and Wales, with an address at 15 Canada Square, Canary Wharf, London E14 5GL.

In addition, this Offering Memorandum includes certain financial information related to our net revenue for Q1 2020 and Q1 2019. This financial information has not been audited or reviewed by our independent auditor.

The Financial Statements have been prepared in accordance with EU endorsed International Financial Reporting Standards ("**IFRS**"), IFRS Interpretations Committee ("**IFRIC**") interpretations, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The Financial Statements are also in compliance with IFRS as issued by the International Accounting Standards Board ("**IASB**"). The RBTS Financial Statements were prepared in accordance with UK accounting standards, including FRS 101 Reduced Disclosure Framework and the Companies Act 2006. IFRS and FRS 101 differ in various significant respects from accounting principles generally accepted in the United States ("**U.S. GAAP**"). In making an investment decision, you should rely upon your own examination of the terms of the Offering and the financial information included or incorporated by reference in this Offering Memorandum. You should consult your own professional advisors for an understanding of the differences between IFRS or FRS101 and U.S. GAAP, and how those differences could affect the financial information included or incorporated by reference in this Offering Memorandum. Moreover, the financial information included or incorporated by reference in this Offering Memorandum is not intended to comply with the SEC requirements.

Our financial statements are presented in pound sterling. Unless noted otherwise, the financial information in this Offering Memorandum is presented in pound sterling rounded to the nearest million. Therefore, figures shown as totals in some tables may not be exact arithmetic aggregations of the figures that precede them.

Use of financial statement data in this Offering Memorandum

The financial statement data of the Group for the years ended 31 December 2019, 2018 and 2017 incorporated by reference in this Offering Memorandum have been extracted from, or are based on, the Financial Statements. The financial statement data of the Group for the year ended 31 December 2017 is derived from the comparative column included in the 2018 Financial Statements. Prospective investors should ensure that they read the whole of this Offering Memorandum and not just rely on key information or information summarised within it.

Non-IFRS financial information

This Offering Memorandum contains certain measures that we believe will assist understanding of the performance of our business. The non-IFRS measures are not intended to be a substitute for, or superior to, any IFRS measures of performance but management has included them as these are considered to be important additional comparables and key measures used within the business for assessing performance and supporting the performance measures derived in accordance with IFRS.

The following are the key non-IFRS measures used in this Offering Memorandum:

- ***Like-for-like "LFL" results***, which are intended to describe our performance on a comparable basis across any two periods by excluding the effect of material acquisitions and disposals, discontinued operations and foreign currency movements during either period from both periods. LFL growth also excludes Venezuela.

- ***Constant exchange rates***, which are intended to present comparisons of net revenue and adjusted operating profit on a constant exchange rate basis. Constant exchange rates adjust the actual consolidated results such that the foreign currency conversion applied is made using the same exchange rates as was applied in the prior year.

- ***Adjusted measures***, such as adjusted net income, adjusted operating profit and adjusted operating margin, which exclude the impact of exceptional items, other adjusting items and reclassifications.

- ***Free cash flow***, which we define as net cash generated from operating activities (excluding discontinued operations) after capital expenditure on property, plant and equipment and intangible assets and any related disposals.

- ***Net debt***, which we define as total borrowings less cash and cash equivalents, short-term other investments and financing derivative financial instruments.

- ***Cash conversion***, which we define as free cash flow as a percentage of adjusted net income attributable to owners of the parent company.

We present the foregoing non-IFRS financial measures because we believe these measures provide our investors with additional information about our underlying results and trends, as well as insight into some of the metrics used to evaluate management.

These non-IFRS financial measures have limitations as analytical tools, and investors should not consider them in isolation from, or as a substitute for analysis of, results of operations, as reported under IFRS. Other peer group companies may calculate these measures differently than we do, limiting their usefulness as a comparative measure.

See "*Selected Historical Financial Information—Group Financial Information—Additional Financial Information*" and "*Operating and Financial Review*" for reconciliations of the foregoing measures to the most directly comparable IFRS measure.

Market position data

In this Offering Memorandum, we refer to our market positions, as well the market positions of our products, in various product categories. The market positions are based on unaudited data as of the year ended 31 December 2019. We have no reason to believe that such market positions have changed since the date of this Offering Memorandum.

Third party information

This Offering Memorandum contains information based on rules, regulations and procedures of Euroclear and Clearstream, Luxembourg.

Third party information contained in this Offering Memorandum is accurately reproduced and, as far as the Issuers and the Guarantor are aware and are able to ascertain from information published by that third party, no facts have been omitted that would render any reproduced information inaccurate or

misleading. We believe that the information provided by third parties is reliable; however, we have not independently verified the information and cannot guarantee its accuracy or completeness, and only accept responsibility for accurately reproducing such information.

In addition, in many cases, we have made statements in this Offering Memorandum regarding the industries in which we operate, our positions in these industries, and our market share based on our internal estimates, provided by our experience, our investigations of market conditions and our review of information made available to the public by our competitors.

SERVICE OF PROCESS AND ENFORCEABILITY OF JUDGMENTS

Reckitt Benckiser Treasury Services plc and the Guarantor are each organised under the laws of England and Wales. Reckitt Benckiser Treasury Services (Nederland) B.V. is organised under the laws of the Netherlands. Most of the Issuers' and the Guarantor's directors and executive officers reside outside the United States. Substantially all of the assets of these persons and substantially all of the Issuers' and the Guarantor's assets are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuers or the Guarantor or their respective directors and executive officers, or to enforce in such jurisdictions the judgment of a court outside such jurisdictions. It may be difficult for investors in the Notes to enforce, in original actions or in actions for enforcement brought in jurisdictions located outside the United States, judgments of U.S. courts or civil liabilities predicated upon U.S. federal securities laws. Furthermore, it may be difficult for investors in the Notes to enforce judgments of this nature in many of jurisdictions in which the Group operates and in which its assets are situated and in the countries of which most of the directors and key managers of the Issuers and the Guarantors are citizens.

The Netherlands does not currently have a treaty with the United States providing for reciprocal recognition and enforcement of judgments (other than arbitration awards) in civil and commercial matters. Therefore, a final judgment for the payment of money rendered by any court in any federal or state court in the United States based on civil liability, whether or not predicated solely upon U.S. federal securities laws, would not automatically be recognized or enforceable in the Netherlands. In order to obtain a judgment which is enforceable in the Netherlands, the claim must be relitigated before a competent Dutch court. A final judgment by a U.S. court, however, may under current practice be given binding effect, if and to the extent that the Dutch court finds that (i) the jurisdiction of the U.S. court has been based on grounds that are internationally acceptable, (ii) the judgment by the U.S. court was rendered in legal proceedings that comply with the standards of the proper administration of justice that includes sufficient safeguards (*behoorlijke rechtspleging*), (iii) the judgment by the U.S. court is not incompatible with a decision rendered between the same parties by a Dutch court, or with a previous decision rendered between the same parties by a foreign court in a dispute that concerns the same subject and is based on the same cause, provided that the previous decision qualifies for acknowledgement in the Netherlands and (iv) the final judgment does not contravene public policy (*openbare orde*) of the Netherlands. Subject to the foregoing and provided that service of process occurs in accordance with applicable treaties, investors may be able to enforce in the Netherlands, judgments in civil and commercial matters obtained from U.S. federal or state courts. Moreover, a Dutch court may reduce the amount of damages granted by a U.S. court and recognize damages only to the extent that they are necessary to compensate actual losses or damages. Enforcement and recognition of judgments of U.S. courts in the Netherlands are governed by the provisions of the Dutch Civil Procedure Code (*Wetboek van Burgerlijke Rechtsvordering*).

OVERVIEW

This overview highlights selected information from this Offering Memorandum. It is not complete and does not contain all of the information that you should consider before investing in the Notes. The overview should be read in conjunction with, and is qualified in its entirety by, the more detailed information included in, or incorporated by reference to, this Offering Memorandum, including the consolidated financial statements and the related notes thereto. You should read carefully this entire Offering Memorandum to understand our business, the nature and terms of the Notes and the tax and other considerations that are important to your decision to invest in the Notes, including the risks discussed under "Risk Factors". In addition, certain statements include forward-looking information that involves risks and uncertainties. See "Information Regarding Forward-Looking Statements".

Overview

We are a world leading hygiene, health and nutrition company. We are driven by our purpose to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world.

The RB Group

Reckitt Benckiser Group plc is listed on the London Stock Exchange under the symbol "RB", and is in the top 15 of the FTSE 100 by market capitalisation as of the date of this Offering Memorandum.

As of and for the year ended 31 December 2019, the Group reported:

- net revenue of £12,846 million (compared to £12,597 million in 2018);
- net loss of £3,670 million (compared to net income of £2,179 million in 2018);
- total assets of £32,139 million (compared to £37,954 million as of 31 December 2018); and
- total equity of £9,407 million (compared to £14,771 million as of 31 December 2018).

Our Products

Our brands fall into three categories, Hygiene, Health and Nutrition, as follows:

- Our **Hygiene** portfolio consists of products that focus on providing innovative solutions to households to eliminate dirt, germs, pests and odours that impact health and happiness, including disinfectant cleaners, all-purpose cleaners, lavatory cleaners, detergents for automatic dishwashing and pest control products, as well as air care products, garment care products, fabric treatment products and water softeners. Starting in 2020, our Hygiene Home business unit is referred to simply as Hygiene.
- Our **Health** portfolio consists of products that provide pain relief, protection and hygiene, including over the counter ("**OTC**") medications for everyday issues such as pain, sore throat, cough and flu, and also wellness products in sexual wellbeing and footcare.
- Our **Nutrition** portfolio is focused on bringing innovative solutions to nourish the body at all stages of life and includes the Mead Johnson Nutrition ("**MJN**") infant and children's nutrition business. Starting in July 2020, Nutrition will operate as a separate global business unit.

For the year ended 31 December 2019, our brands were organised into two categories, Hygiene Home and Health. Starting in 2020, Hygiene Home is known simply as Hygiene. Hygiene products accounted

for 39 per cent. of our net revenues in 2019. Health and Nutrition products accounted for 61 per cent. of our net revenues in 2019.

Key Hygiene Brands

Key Health and Nutrition Brands

Our markets

From 1 July 2020, our hygiene, health and nutrition brands will be organised under three category-focused global business units ("**GBUs**"): Hygiene, Health and Nutrition. Within each GBU, we intend to develop capability centres of excellence that can be leveraged across the Group. We believe that this will help provide additional strategic focus on the initiatives necessary to improve customer service, revenue growth and profit performance.

China is a strategically important market for RB. We are therefore elevating China to an integrated unit that will work across the three GBUs and report directly to the CEO. In addition, a new integrated organisation will be created to scale our e-commerce and digital capabilities across the three GBUs, including responsibility for digitally-native or 'rocket' brands.

The Issuers

Reckitt Benckiser Treasury Services plc

Reckitt Benckiser Treasury Services plc was incorporated as a private limited company under the laws of England and Wales on 9 October 2006 with registered number 05960843 and was re-registered as a public limited company on 7 September 2007. Its principal executive offices and registered office are

located at 103-105 Bath Road, Slough, Berkshire SL1 3UH, United Kingdom. The telephone number of its registered office is +44 (0) 1753 217 800.

Reckitt Benckiser Treasury Services plc is a wholly-owned finance company that conducts no business operations. It has limited assets and no ability to generate revenues. Upon completion of the Offering, the only significant assets of Reckitt Benckiser Treasury Services plc will be various intercompany loans and its shareholding in three finance subsidiaries. Reckitt Benckiser Treasury Services plc's material liabilities include amounts owed to other members of the Group, the Existing Notes (as defined herein) and commercial paper, and will include the Pound Sterling Notes and any additional Notes or other indebtedness it may incur in the future.

Reckitt Benckiser Treasury Services (Nederland) B.V.

Reckitt Benckiser Treasury Services (Nederland) B.V. was incorporated as a private limited liability company under the laws of the Netherlands on 20 April 2020 with registered number 77869540. Its principal executive offices and registered office are located at Schiphol Boulevard 267, 1118 BH Schiphol, the Netherlands. The telephone number of its registered office is +31 202 066 920.

Reckitt Benckiser Treasury Services (Nederland) B.V. is a wholly-owned finance company that conducts no business operations. It has limited assets and no ability to generate revenues. Upon completion of the Offering, the only significant assets of Reckitt Benckiser Treasury Services (Nederland) B.V. will be the proceeds of the Offering. Reckitt Benckiser Treasury Services (Nederland) B.V.'s material liabilities include the Euro Notes and any additional Notes or other indebtedness it may incur in the future.

The Guarantor

The Guarantor was incorporated on 6 June 2007 with the name Trushelfco (No. 3293) Limited and registered in England and Wales as a private limited company under the Companies Act 2006 (the "**Companies Act**") with registered number 06270876. On 24 July 2007, the Guarantor's name was changed to Reckitt Benckiser Group Limited and on 30 August 2007, it was re-registered as a public limited company. Its registered office is located at 103-105 Bath Road, Slough, Berkshire SL1 3UH, United Kingdom and the telephone number of its registered office is +44 (0) 1753 217 800.

The Guarantor is the listed holding company of the Group. It has no independent business operations, and is dependent on dividends from its subsidiaries.

The Offering

The following overview of the Offering contains basic information about the Notes and the Guarantees. It is not intended to be complete and it is subject to important limitations and exceptions. For a more complete understanding of the Notes and the Guarantees, including certain definitions of terms used in this overview, please refer to "Description of Euro Notes" and *"Description of Pound Sterling Notes", as applicable.*

Issuers	Reckitt Benckiser Treasury Services plc and Reckitt Benckiser Treasury Services (Nederland) B.V.
Guarantor	Reckitt Benckiser Group plc. The Guarantor is a holding company that conducts no independent business operations, and is dependent on dividends from its operating subsidiaries.

Notes Offered	€850 million aggregate principal amount of 0.375 per cent. Senior Notes due 2026 (the "**2026 Euro Notes**"); €850 million aggregate principal amount of 0.750 per cent. Senior Notes due 2030 (the "**2030 Euro Notes**", and together with the 2026 Euro Notes, the "**Euro Notes**"); and £500 million aggregate principal amount of 1.750 per cent. Senior Notes due 2032 (the "**Pound Sterling Notes**", and, together with the Euro Notes and the Pound Sterling Notes, the "**Notes**").
Guarantees	The Notes will be fully and unconditionally guaranteed by the Guarantor (the "**Guarantees**"). In addition, pursuant to a deed poll guarantee dated 19 May 2020 (the "**Deed Poll**"), Reckitt Benckiser Treasury Services plc will be unconditionally and irrevocably guaranteeing the obligations of Reckitt Benckiser Treasury Services (Nederland) B.V. in respect of the Euro Notes ("**the Euro Notes Intercompany Guarantee**"). The Notes will not be guaranteed by any of our other entities.
Issue Date	19 May 2020 (the "**Issue Date**").
Maturity Dates	2026 Euro Notes: 19 May 2026. 2030 Euro Notes: 19 May 2030. Pound Sterling Notes: 19 May 2032.
Interest	Interest on the 2026 Euro Notes will be payable annually in arrears on 19 May of each year, commencing 19 May 2021. Interest on the 2030 Euro Notes will be payable annually in arrears on 19 May of each year, commencing 19 May 2021. Interest on the Pound Sterling Notes will be payable annually in arrears on 19 May of each year, commencing 19 May 2021. Interest will accrue from and including the Issue Date. Interest on the Euro Notes will be computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the date from which interest begins to accrue for the period (or from 19 May 2020 if no interest has been paid on the Euro Notes) to but excluding the next scheduled interest payment date. Interest on the Pound Sterling Notes will be computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the date from which interest begins to accrue for the period (or from 19 May 2020 if no interest has been paid on the Pound Sterling Notes) to but excluding the next scheduled interest payment date.

Record Dates	So long as the Notes remain in book-entry only form, the applicable record date for each interest payment date will be the close of business on the business day before the applicable interest payment date. If the Notes are not in book-entry only form, the applicable record date for each interest payment date will be the close of business on the fifteenth calendar day (whether or not a business day) before the applicable interest payment date.
Issue Price	2026 Euro Notes: 99.433 per cent., plus accrued interest, if any, from the Issue Date. 2030 Euro Notes: 99.904 per cent., plus accrued interest, if any, from the Issue Date. Pound Sterling Notes: 98.746 per cent., plus accrued interest, if any, from the Issue Date.
Denominations	€100,000/£100,000, and integral multiples of €1,000/£1,000 in excess thereof.
Form and Delivery of Notes	The 2026 Euro Notes, 2030 Euro Notes and the Pound Sterling Notes will be issued in registered global form only (the "**2026 Euro Global Notes**", "**2030 Euro Global Notes**" and "**Pound Sterling Global Notes**", respectively, and together, the "**Global Notes**"). The 2026 Euro Notes and the 2030 Euro Notes will be represented on issue by beneficial interests in the 2026 Euro Global Notes and 2030 Euro Global Notes, respectively, which will be deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg, and registered in the name of a nominee of the common safekeeper. The Euro Notes are intended to be held in a manner that allows them to be eligible for the corporate sector purchase programme (the "**CSPP**") of the European Central Bank ("**ECB**"), which commenced in June 2016. However, this does not necessarily mean that the Euro Notes will be recognized by the ECB for the purposes of the CSPP either upon issue or at any times during their life, as such recognition depends upon satisfaction of all of the ECB's eligibility criteria. Depositing the Euro Global Note with a common safekeeper does not necessarily mean that the Euro Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

	The Pound Sterling Notes will be represented on issue by beneficial interests in Pound Sterling Global Notes, which will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg. Ownership interests in each Global Note will be shown on, and transfers thereof will only be effected through, records maintained by Euroclear and Clearstream, Luxembourg and their participants. Definitive Notes will only be issued in exchange for interests in a Global Note in certain limited circumstances. See "*Form of the Notes*" and "*Book-Entry Clearance Systems*".
Ranking of the Notes and the Guarantees	The Notes and the Guarantees will be direct, unsecured and unsubordinated obligations of the Issuers and the Guarantor, respectively, ranking *pari passu* in right of payment among themselves and with all other direct, unsecured and unsubordinated obligations (except those obligations preferred by statute or operation of law) of the Issuers and the Guarantor, respectively. The Notes and the Guarantees will be effectively subordinated to any debt or other obligations of any other subsidiary of the Guarantor with respect to the earnings and assets of that subsidiary.
Optional Redemption	Reckitt Benckiser Treasury Services (Nederland) B.V. may redeem each series of the Euro Notes, in whole or in part, at its option, at any time and from time to time prior to, in the case of the 2026 Euro Notes, 19 February 2026 (the day that is three months prior to the maturity date of the 2026 Euro Notes) (such date, the "**2026 Euro Notes Par Call Date**") and in the case of the 2030 Euro Notes, 19 February 2030 (the day that is three months prior to the maturity date of the 2030 Euro Notes) (such date, the "**2030 Euro Notes Par Call Date**") at a "make-whole" redemption price equal to the greater of: (i) 100 per cent. of the principal amount of the relevant Euro Notes to be redeemed; and (ii) the sum of the present values of the Remaining Scheduled Payments (as defined in "*Description of Euro Notes—Redemption—Optional Redemption*") of principal and interest thereon (exclusive of interest accrued to the relevant Redemption Date (as defined in "*Description of Euro Notes—Redemption*")), assuming for such purpose that the relevant Euro Notes matured on the applicable par call date, discounted to the relevant Redemption Date on an annual basis (Actual/Actual (ICMA) day count fraction) at the applicable Comparable Government Bond Rate (as defined in "*Description of Euro*

Notes—Redemption—Optional Redemption") plus 20 basis points in the case of the 2026 Euro Notes and 20 basis points in the case of the 2030 Euro Notes,

plus accrued and unpaid interest (including any Additional Amounts (as defined in "*Description of Euro Notes—Payments of Additional Amounts*")) on the principal amount of the relevant Euro Notes to be redeemed to but excluding the relevant Redemption Date.

In addition, Reckitt Benckiser Treasury Services (Nederland) B.V. may redeem each series of the Euro Notes in whole or in part, at its option, at any time and from time to time on and after the 2026 Euro Notes Par Call Date or the 2030 Euro Notes Par Call Date, as applicable, at a redemption price equal to 100 per cent. of the principal amount of the relevant Euro Notes being redeemed, plus accrued and unpaid interest to the relevant Redemption Date.

Reckitt Benckiser Treasury Services plc may redeem the Pound Sterling Notes, in whole or in part, at its option, at any time and from time to time on at least 10 days, but not more than 60 days, prior notice mailed (or otherwise transmitted in accordance with the procedures of the common depositary) to the registered address of each holder of the Pound Sterling Notes, at a "make-whole" redemption price (calculated by the Issuer) equal to the greater of:

(i) 100 per cent. of the principal amount of the Pound Sterling Notes to be redeemed; and

(ii) the sum of the present values of the Remaining Scheduled Payments (as defined in "*Description of Pound Sterling Notes—Redemption—Optional Redemption*") of principal and interest thereon (exclusive of interest accrued to the Redemption Date (as defined in "*Description of Pound Sterling Notes—Redemption*"*)* discounted to the Redemption Date on an annual basis (Actual/Actual (ICMA) day count fraction)) at the Comparable Government Bond Rate (as defined in "*Description of Pound Sterling Notes—Redemption—Optional Redemption*") plus 25 basis points plus accrued and unpaid interest thereon on, but not including the Redemption Date.

On and after the Redemption Date, interest will cease to accrue on the Pound Sterling Notes or any portion of the Pound Sterling Notes called for redemption (unless Reckitt Benckiser Treasury Services plc defaults in the payment of the redemption price and accrued interest). On or before the Redemption Date, Reckitt Benckiser Treasury Services plc will deposit with the Trustee or its agent money sufficient to pay the redemption price of and (unless the Redemption Date shall be an interest payment date) accrued and unpaid interest

	to the Redemption Date on the Pound Sterling Notes to be redeemed on that Redemption Date. If less than all of the Pound Sterling Notes are to be redeemed, the Pound Sterling Notes to be redeemed shall be selected in accordance with the common depositary procedures. Additionally, Reckitt Benckiser Treasury Services plc may at any time repurchase Pound Sterling Notes in the open market and may hold or surrender such Pound Sterling Notes to the Trustee for cancellation. See "*Description of Euro Notes—Redemption—Optional Redemption*" and "*Description of Pound Sterling Notes—Redemption—Optional Redemption*", as applicable.
Additional Amounts; Tax Redemption	Subject to certain exceptions and limitations provided for in the Indentures, the Issuers or, if applicable, the Guarantor will pay such additional amounts on the Notes (or under the Guarantees in respect thereof) as may be necessary to ensure that the net amounts received by each holder of a Note after any withholding or deductions required by law for any taxes imposed by any jurisdiction in which the Issuers (or, if applicable, the Guarantor) are incorporated, domiciled or resident for tax purposes or any political subdivision thereof or therein will not be less than the amount such holder or beneficial owner would have received if such taxes had not been withheld or deducted. Each series of the Notes is subject to redemption prior to maturity, at the option of the Issuers, in whole but not in part, at their principal amount, plus accrued and unpaid interest to but excluding the date of redemption and any additional amounts, in the event of certain changes in tax laws. See "*Description of Euro Notes—Payment of Additional Amounts*" and "*Description of Pound Sterling Notes—Payment of Additional Amounts*", as applicable, and "*Description of Euro Notes—Redemption—Redemption for Tax Reasons*" and "*Description of Pound Sterling Notes—Redemption—Redemption for Tax Reasons*", as applicable.
Certain Covenants	The Issuers and the Guarantor have agreed to certain covenants with respect to the Notes, comprising a negative pledge, limitation on mergers and consolidations and the provision of financial and other information. See "*Description of Euro Notes—Covenants of the Issuer and the Guarantor*" and "*Description of Pound Sterling Notes—Covenants of the Issuer and the Guarantor*", as applicable.
Further Issuances	The Issuers may, from time to time, without notice to or the consent of the holders of the Notes, issue as many distinct series of debt securities under the Indentures as it wishes. It may also from time to time, without notice to or the consent of the Holders of the Notes, "re-open" each series of the Notes and create and issue additional notes having identical

	terms and conditions as the Euro Notes and the Pound Sterling Notes (or in all respects except for the issue date, the issue price, the payment of interest accruing prior to the issue date of such additional notes and/or the first payment of interest following the issue date of such additional notes) so that the additional notes are consolidated and form a single series of notes with the applicable Notes, provided, however, that if additional notes are not fungible with the applicable Notes for U.S. federal tax purposes, the additional notes will have a separate CUSIP, ISIN, Common Code or other identifying number to the applicable Notes. To the extent required for any such additional notes to be admitted to trading on the Market, a further set of listing particulars will be published in relation therewith, subject to application to, and approval by, the FCA.
Use of Proceeds	We expect to use the net proceeds of the Offering for general corporate purposes. See "*Use of Proceeds*".
Transfer Restrictions	The Notes and the Guarantees have not been, and will not be, registered under the Securities Act or the securities laws of any state or other jurisdiction of the United States. The Notes are subject to restrictions on transfer and may only be offered or sold in transactions that are exempt from, or not subject to, the registration requirements of the Securities Act. See "*Transfer Restrictions*" and "*Plan of Distribution*". The Issuers have not agreed, or otherwise undertaken, to register the Notes (including by way of an exchange offer) under the Securities Act.
Absence of a Public Market for the Notes	The Notes will be new securities for which there are currently no markets. Although the Initial Purchasers have informed the Issuers that they intend to make a market in each series of Notes, they are not obligated to do so, and they may discontinue market-making at any time without notice. Accordingly, the Issuers cannot assure you that liquid markets for the Notes will develop or be maintained.
Listing	Application has been made to the FCA for the Notes to be admitted to the Official List of the FCA and to be admitted to trading on the Market.
Trustee, Principal Paying Agent, London Paying Agent, Registrar and Transfer Agent	Deutsche Bank Trust Company Americas.
Governing Law of the Indentures, the Notes and the Guarantees	The State of New York, United States.
Expected Ratings	It is expected that the Notes will be rated "A–" by S&P and "A3" by Moody's. A security rating is not a recommendation to buy, sell or hold the Notes. There is no assurance that a rating will remain for

	any given period of time or that a rating will not be lowered or withdrawn by the relevant rating agency if, in its judgment, circumstances in the future so warrant. In the event that a rating initially assigned to the Notes is subsequently lowered for any reason, no person or entity is obliged to provide any additional support or credit enhancement with respect to the Notes and the market value of the Notes is likely to be adversely affected.
CUSIPs, ISINs and Common Codes	2026 Euro Notes: • Rule 144A: CUSIP: 7562EP AA9; ISIN: XS2177013336; Common Code: 217701333. • Regulation S: ISIN: XS2177013252; Common Code: 217701325. 2030 Euro Notes: • Rule 144A: CUSIP: 7562EP AB7; ISIN: XS2177013500; Common Code: 217701350. • Regulation S: ISIN: XS2177013765; Common Code: 217701376. Pound Sterling Notes: • Rule 144A: CUSIP: 75625Q AG4; ISIN: XS2177007015; Common Code: 217700701. • Regulation S: ISIN: XS2177006983; Common Code: 217700698.
Risk Factors	Investing in the Notes involves substantial risks. In evaluating an investment in the Notes, you should carefully consider all of the information provided in this Offering Memorandum and, in particular, the specific factors set out under "*Risk Factors*".

Summary Financial Information

You should read the data below together with the information contained in "Presentation of Financial and other Information," "Risk Factors," "Selected Historical Financial Information," "Operating and Financial Review" and our Financial Statements, which are incorporated by reference in this Offering Memorandum.

Group Financial Information

The summary financial information of the Group provided below has been extracted without material adjustment from our Financial Statements. For a discussion of the basis of the preparation of our consolidated financial information, see Note 1 to the Financial Statements incorporated by reference in this Offering Memorandum. These Financial Statements have been prepared in accordance with EU endorsed IFRS, IFRIC interpretations, and with those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The Financial Statements are also in compliance with IFRS as issued by the IASB. See "*Presentation of Financial and other Information*". Our historical financial information is not indicative of our future results.

The Group adopted IFRS 16 Leases on 1 January 2019 using the full retrospective approach. Consequently, 2018 comparative numbers reported in the 2019 Financial Statements were restated in accordance with IFRS requirements. For details on the impact of this restatement, see Note 31 to the 2019 Financial Statements incorporated by reference in this Offering Memorandum.

The 2017 Financial Information presented in this Offering Memorandum has been restated for IFRS 16 to the extent that it was disclosed in the 2019 Financial Statements. This includes the 2017 Group balance sheet. Where the information was not disclosed in the 2019 Financial Statements, for example the 2017 Group income statement, it is not directly comparable with the 2018 and 2019 Financial Information presented in this Offering Memorandum.

The Group adopted IFRS 15 Revenue from Contracts with Customers on 1 January 2018. The 2018 Financial Statements included restated 2017 comparative numbers which are reflected below.

Condensed Consolidated Income Statement

	For the year ended 31 December		
	2019	**2018 (restated)[1]**	**2017 (restated)[2]**
		(£ millions)	
CONTINUING OPERATIONS			
Net Revenue	**12,846**	**12,597**	**11,449**
Cost of sales	(5,068)	(4,962)	(4,626)
Gross profit	7,778	7,635	6,823
Net operating expenses	(4,616)	(4,577)	(4,086)
Impairment of goodwill and other intangible assets	(5,116)	—	—
Operating (Loss)/Profit	**(1,954)**	**3,058**	**2,737**
Adjusted Operating Profit	3,367	3,369	3,122
Adjusting items[3]	(5,321)	(311)	(385)
Operating (Loss)/Profit	**(1,954)**	**3,058**	**2,737**
Finance income	161	78	60
Finance expense	(314)	(416)	(298)
Net finance expense	**(153)**	**(338)**	**(238)**
(Loss)/profit before income tax	(2,107)	2,720	2,499

	For the year ended 31 December		
	2019	2018 (restated)[1]	2017 (restated)[2]
Income tax (expense)/benefit	(665)	(536)	894
Net (loss)/income from continuing operations	**(2,772)**	**2,184**	**3,393**
Net (loss)/income from discontinued operations	**(898)**	**(5)**	**2,796**
Net (loss)/income	**(3,670)**	**2,179**	**6,189**
Attributable to non-controlling interests	13	20	17
Attributable to owners of the parent company	(3,683)	2,159	6,172
Net (loss)/income	**(3,670)**	**2,179**	**6,189**

Notes:

(1) Restated for the adoption of IFRS 16. For more detail, please see "—*Selected Historical Financial Information—Group Financial Information*".

(2) Restated for the adoption of IFRS 15. For more detail, please see "—*Selected Historical Financial Information—Group Financial Information*".

(3) In 2019, adjusting items included £5,321 million of expenses recorded in operating profit (2018: £311 million, 2017: £385 million) driven primarily by the impairment of IFCN goodwill of £5,037 million.

Consolidated Balance Sheet

	As of 31 December		
	2019	**2018 (restated)[1]**	**2017 (restated)[1]**
		(£ millions)	
ASSETS			
Non-current assets			
Goodwill and other intangible assets	24,261	30,278	29,487
Property, plant and equipment	2,140	2,162	2,068
Equity instruments – FVOCI	58	53	41
Deferred tax assets	224	209	118
Retirement benefit surplus	268	191	90
Other non-current receivables	155	109	99
	27,106	33,002	31,903
Current assets			
Inventories	1,314	1,276	1,201
Trade and other receivables	2,079	2,097	2,004
Derivative financial instruments	30	38	18
Current tax recoverable	61	48	58
Cash and cash equivalents	1,549	1,483	2,125
	5,033	4,942	5,406
Assets classified as held for sale	—	10	18
	5,033	4,952	5,424
Total assets	**32,139**	**37,954**	**37,327**
LIABILITIES			
Current liabilities			
Short-term borrowings	(3,650)	(2,269)	(1,394)
Provisions for liabilities and charges	(178)	(537)	(517)
Trade and other payables	(4,820)	(4,811)	(4,629)
Derivative financial instruments	(138)	(42)	(19)
Current tax liabilities	(145)	(10)	(65)
	(8,931)	(7,669)	(6,624)
Non-current liabilities			
Long-term borrowings	(8,545)	(9,950)	(11,797)
Deferred tax liabilities	(3,513)	(3,619)	(3,443)
Retirement benefit obligations	(351)	(318)	(393)
Provisions for liabilities and charges	(56)	(74)	(81)
Derivatives financial instruments	—	—	(12)
Non-current tax liabilities	(969)	(1,105)	(1,012)
Other non-current liabilities	(367)	(448)	(408)
	(13,801)	(15,514)	(17,146)
Total liabilities	**(22,732)**	**(23,183)**	**(23,770)**
Net assets	**9,407**	**14,771**	**13,557**

	As of 31 December		
	2019	2018 (restated)[1]	2017 (restated)[1]
		(£ millions)	
EQUITY			
Capital and reserves			
Share capital	74	74	74
Share premium	245	245	243
Merger reserve	(14,229)	(14,229)	(14,229)
Hedging reserve	(2)	7	(1)
Foreign currency translation reserve	(78)	430	407
Retained earnings	23,353	28,197	27,023
Attributable to owners of the parent company	9,363	14,724	13,517
Attributable to non-controlling interests	44	47	40
Total equity	**9,407**	**14,771**	**13,557**

Note:

(1) Restated for the adoption of IFRS 16. For more detail, please see "*—Selected Historical Financial Information—Group Financial Information*".

Condensed Consolidated Cash Flow Statement

	For the year ended 31 December		
	2019	2018 (restated)[1]	2017
		(£ millions)	
Net cash generated from operating activities	1,411	2,524	2,491
Net cash used in investing activities	(442)	(422)	(8,896)
Net cash (used in)/generated from financing activities	(830)	(2,688)	7,737
Net increase/(decrease) in cash and cash equivalents	139	(586)	1,332
Cash and cash equivalents at beginning of the year	1,477	2,117	873
Exchange losses	(69)	(54)	(88)
Cash and cash equivalents at end of the year	**1,547**	**1,477**	**2,117**

Note:

(1) Restated for the adoption of IFRS 16. For more detail, please see "*—Selected Historical Financial Information—Group Financial Information*".

Additional Financial Information

Please see "*Presentation of Financial and Other Information—Non-IFRS financial information*" for more information.

Adjusted Operating Profit

	For the year ended 31 December		
	2019	2018 (restated)[1]	2017 (restated)[2]
		(£ millions)	
Operating (loss)/profit	(1,954)	3,058	2,737
Adjusting: exceptional items[3]	5,240	233	342
Adjusting: other items[3]	81	78	43
Adjusted operating profit	**3,367**	**3,369**	**3,122**
Adjusted operating margin[4]	26.2%	26.7%	27.3%

Notes:

(1) Restated for the adoption of IFRS 16. For more detail, please see "*—Selected Historical Financial Information—Group Financial Information*".

(2) Restated for the adoption of IFRS 15. For more detail, please see "*—Selected Historical Financial Information—Group Financial Information*".

(3) In 2019, adjusting items included £5,321 million of expenses recorded in operating profit (2018: £311 million, 2017: £385 million) driven primarily by the impairment of IFCN goodwill of £5,037 million.

(4) Adjusted operating margin is defined as adjusted operating profit divided by Net Revenue.

Adjusted Net Income

	For the year ended 31 December		
	2019	2018 (restated)[1]	2017 (restated)[2]
		(£ millions)	
Net (loss)/income from continuing operations	(2,772)	2,184	3,393
Less: Attributable to non-controlling interests	(13)	(20)	(17)
Continuing net (loss)/income for the year attributable to owners of the parent company	(2,785)	2,164	3,376
Adjusting: exceptional items[3], net of tax	5,195	183	(1,150)
Adjusting: other items[4], net of tax	63	61	27
Adjusted net income attributable to owners of the parent company	**2,473**	**2,408**	**2,253**

Notes:

(1) Restated for the adoption of IFRS 16. For more detail, please see "*—Selected Historical Financial Information—Group Financial Information*".

(2) Restated for the adoption of IFRS 15. For more detail, please see "*—Selected Historical Financial Information—Group Financial Information*".

(3) Exceptional items in 2019 includes the impairment of IFCN goodwill of £5,037 million. Included within the 2017 balance is an income tax credit of £1,421 million resulting from tax reform in the United States.

(4) Other adjusting items primarily relate to the amortisation of certain intangible assets recognised as a result of the acquisition of Mead Johnson.

Free Cash Flow

	For the year ended 31 December		
	2019	2018 (restated)[1]	2017
		(£ millions)	
Cash generated from continuing operations	3,408	3,400	3,153
Net interest paid[2]	(210)	(321)	(167)
Tax paid	(647)	(567)	(543)
Purchase of property, plant and equipment	(306)	(342)	(286)
Purchase of intangible assets	(137)	(95)	(63)
Proceeds from the sale of property, plant and equipment	37	24	35
Free cash flow	**2,145**	**2,099**	**2,129**
Cash conversion[3]	86.7%	87.2%	94.5%

Notes:

(1) Restated for the adoption of IFRS 16. For more detail, please see "*—Selected Historical Financial Information—Group Financial Information*".

(2) Includes interest paid of £371 million (2018: £396 million, 2017: £226 million) and interest received of £161 million (2018: £75 million, 2017: £59 million).

(3) Cash conversion is defined as free cash flow divided by adjusted net income attributable to owners of the parent company.

Analysis of Net Debt

	As of 31 December		
	2019	2018 (restated)[1]	2017 (restated)[1]
		(£ millions)	
Total borrowings (excluding overdrafts)	11,866	11,872	12,853
Cash and cash equivalents (excluding overdrafts)	(1,547)	(1,477)	(2,117)
Derivative financial instruments (debt)	105	10	10
Lease liabilities	325	341	330
Net debt at year end	10,749	10,746	11,076

Note:

(1) Restated for the adoption of IFRS 16. For more detail, please see "*—Selected Historical Financial Information—Group Financial Information*".

RISK FACTORS

Any investment in the Notes is subject to a number of risks. Accordingly, investors and prospective investors should consider carefully the risks and uncertainties described below and all of the other information set out in this Offering Memorandum and incorporated by reference herein before making an investment decision. Our business, results of operations, financial condition and/or prospects could be materially and adversely affected by any of these risks. The market prices of the Notes may decline due to any of these risks or other factors, and investors may lose all or part of their investment.

The risks described below represent the principal risks inherent in purchasing the Notes, but they are not the only risk factors we face. Additional risk factors not presently known to us or that we currently believe to be immaterial also may adversely affect our business, financial condition and results of operations. Should any known or unknown risk factors develop into actual events, these developments could have material adverse effects on our business, financial condition and results of operations.

This Offering Memorandum also contains estimates and projections that involve risks and uncertainties. Our results may differ significantly from those previously projected as a result of certain factors, including the risks we face, as described below and in other sections of this Offering Memorandum.

Investors should read this document as a whole and should not rely solely on the information set out in this section. The information given is as of the date of this Offering Memorandum and, except as required by legal or regulatory obligation, will not be updated. Any forward-looking statements are made subject to the reservations specified in the section headed "Information Regarding Forward-Looking Statements".

1 Risks related to our business and industry.

We operate in intensely competitive industries.

We face vigorous competition worldwide. We compete with well-established local, regional, national and international companies that target the same consumer base as we do, some of which may have more significant resources to establish and promote their products. We also face competition from 'private label' products and generic non-branded products, which are typically sold at lower prices, by major retail companies, some of which may be our customers. Competition from these sources has grown in recent years. Competition is primarily focused on cost effectiveness, price, service, product effectiveness and quality, consumer convenience and technological innovation.

Consolidation of key trade customers in the sectors in which we operate may limit opportunities for growth and may increase competitive pressure further. An example is the consumer healthcare joint venture between GlaxoSmithKline plc and Pfizer Inc. Moreover, consolidation has increased in certain sectors and markets, such as the infant and child nutrition ("**IFCN**") business in China, as a result of regulatory requirements that have tended to benefit local Chinese companies. Our products generally compete on the basis of product quality and performance, promotional activities, brand recognition, price, timely development and launch and other benefits to consumers. If we are unable to offer products that consumers choose over our competitors' products, our business and results of operations may be materially and adversely affected. In addition, our products compete with other products for shelf space in retail stores and for marketing focus, via in-store promotional activities of our brands. Our competitive position and, consequently, sales of our products, may be impacted to the extent that we are unable to successfully maintain sound working relationships with our trade customers, who determine access to shelf space and product placement on shelf, set retail prices and control in-store

promotional activities of our brands, and can establish pricing differentials between similar products on shelf.

As the retail sector becomes more concentrated, retailers' bargaining power increases, which could result in them imposing downward pressure on prices and requiring commercial incentives before agreeing to offer our products for sale to consumers. Further, to the extent trade customers increase usage of their own distribution networks and private label brands, the competitive advantage we derive from our brand equity could be impaired. Competition may also increase further as existing competitors enhance their offerings or additional companies enter our markets or modify their existing products to compete directly with our products. In addition, new sales channels have emerged, and continue to emerge, including e-commerce, which may affect customer and consumer preferences, and competitive dynamics. In particular, we are subject to the risk that insurgent or competing brands will disrupt traditional markets and be nimbler in proactively understanding evolving customer needs and leveraging technology and digital marketing techniques to reach consumers. If we are unable to effectively identify, exploit and compete in these new channels, including if we fail to continue to invest in the development and execution of our digital strategy, our results and our prospects could be materially and adversely impacted. For additional information on our digital strategy, see "*Our Business—Our Strategy*". Increased competition also means that we need to spend more resources on promotion and advertising of our products. Moreover, competition also extends to administrative and legal challenges of product claims. Responding to legal challenges and defending our products and intellectual property rights could result in significant expenses and may divert resources away from product and technological innovation, which may have a material adverse effect on our financial condition and results of operations.

Our success depends on the value and relevance of our products to consumers around the world.

We face substantial competition throughout our business from international and domestic companies. Competition from these sources has grown in recent years. Our results of operations depend to a significant extent on our ability to launch and sell products that appeal to, and are accepted by consumers. Consumer preferences, tastes and habits are constantly evolving. Various factors, some of which are beyond our control, may have an adverse impact on demand for our brands. For example, certain products within our Hygiene, Health and Nutrition categories, particularly in IFCN, have in the past exhibited and may, in the future, exhibit seasonal fluctuations. Launch of new products or variants of our existing brands may not neutralise the impact of weak performance of one of our brands. Similarly, our failure to differentiate our existing brands or future products from those of competitors, whether through quality, innovation, marketing or otherwise, may adversely impact consumer demand for our products. If consumer patterns change within the major consumer clusters that we have identified, or fail to react as anticipated, we may have to reassess our growth plans and alter our sales strategy. Consumers may purchase less, purchase through different channels (e.g. e-commence) or switch to purchasing generic products, private label products and economy brands, as opposed to branded products, which could impact our sales, or result in a shift in our product mix from higher margin to lower margin product offerings. If we are unable to respond to changes in consumer demand and other disruptive market forces, including by identifying and exploiting rapidly growing channels, such as e-commerce, in a timely or adequate manner, or at all, and/or accurately predict or anticipate factors that may impact demand, and if we are unable to differentiate our brands from competitors, our business, financial condition and results of operations may be materially and adversely affected.

Our strategy may not deliver the anticipated improvements to our business performance and may result in disruptions to our operations.

Our strategy over the next few years, which is built on a purpose-led agenda, includes the creation of three category-focused global business units, Hygiene, Health and Nutrition, a broadening of focus on

growth drivers by increasing our 'core' category market units ("**CMUs**"), increasing investment in our businesses, including in supply chain infrastructure, innovations, digital and customer service, as well as an increased focus on our presence in certain markets, such as China, and improvement of our e-commerce capabilities. For additional information on our strategy, see "*Our Business—Our Strategy*".

There can be no assurance that the implementation of the new strategy will deliver the anticipated improvements to our business performance in either a timely manner or at all.

The execution of our strategy could, amongst other things, undermine operating performance across the business. The new strategy may result in lower than anticipated growth, impacting volumes and market share in key markets and could result in loss of supply resilience and sustainability of our products and could undermine our ability to deliver the required innovation. Additionally, the changes required to successfully implement our strategy may lead to organisational change fatigue and breakdown of key controls, which, coupled with significant management churn, could make it more difficult for us to attract and retain qualified personnel, negatively impacting our ability to achieve our strategic objectives. Restoring sustained strong performance in our Health category is a key component of our strategy. Failure to effectively execute the key change programmes required across the Health business may result in cost overruns and inefficient use of resources, loss of key talent and may distract us from future growth priorities.

In addition to failing to realise its expected benefits, implementation of the new strategy could result in substantial costs being incurred, including as a result of an increased reliance on external advisors and the diversion of management's time from their responsibilities as a result of the attention required, which may result in our underlying businesses not performing in line with expectations.

All factors described above could have a material adverse effect on our business, results of operations, financial condition and prospects.

We may be unable to successfully develop new or improved products and launch them in a timely manner.

Our business, financial condition and results of operations substantially depend on our ability to innovate by improving our existing products, and successfully develop and launch new products and technologies that meet the changing needs of customers. Our ability to maintain and grow our market share organically and improve our gross margins depends to a large extent on our ability to successfully and cost-effectively introduce and market new products (whether variants of existing or newly developed products), and to develop equipment, technology and manufacturing processes for our products. If we are unable to successfully develop, launch and market new products that obtain consumer acceptance in a timely manner, or at all, we may be unable to compete and maintain or grow our market share and may even lose market share, including to smaller companies that successfully leverage new channels and media. Any new product or line extension may not generate sufficient consumer interest and sales levels to become a profitable product or to cover the costs of our development or promotion. In addition, if we decide to pursue growth opportunities in new categories and new category segments or in regions where we have limited or no prior experience, we may become exposed to unexpected or greater risks and potential losses. In particular, our ability to develop new infant and children's nutrition products depends on, amongst other factors, our ability to understand the composition and variation of breast milk and our ability to translate these insights into commercially viable new products. This will require significant investment in research and development and testing of new ingredients, formulae and new production processes, and there can be no assurance that such research and development will result in a successful development of marketable products.

Product innovation and development is generally a lengthy process and can involve considerable costs. For example, research and development required to develop certain health products (such as our OTC

products), from discovery to commercial product launch, can take a significant period of time and given the limited duration of patents, in some cases, the longer we take to develop and launch a product, the less is the time for which we have exclusivity, in which we can recoup our development costs and seek to profit. We may be unable to successfully complete clinical trials and obtain applicable regulatory approvals in a timely manner, or at all, and may fail to gain market approval for our products. Additionally, we may encounter infringement claims by competitors that may preclude or delay commercialisation of our products. Any delays could result in us not being the first to market and could undermine our competitive advantage. If any of the products we are currently developing, or may develop in future, fail to become market-ready or to achieve commercial success at expected levels, or at all, this could result in the incurrence of substantial losses. If we fail to develop or upgrade our equipment, technology and manufacturing processes at least in line with our competitors, we may be unable to compete effectively and lose market share.

Our reputation and the strength of our brands could be adversely affected by quality-related issues, our environmental, social and governance standards, supply chain failures or negative publicity.

Substantial harm to our reputation, or the reputation of one or more of our brands, may materially adversely affect our business. The majority of our brands have worldwide recognition. Maintaining our established reputation and trust with key stakeholders, including consumers, customers and trading partners is critical to our business. Various factors may adversely impact our reputation and could lead to an erosion of consumer trust in our brands, including product quality inconsistencies or contamination concerning any of our products or those of our competitors, together with any associated adverse publicity. We have, in the past, faced quality-related issues, which resulted in trade and consumer recalls and such recalls may have a material adverse impact on our reputation. Raw materials that we source for production may become contaminated through the supply chain, and other product defects may occur due to human error or equipment failure, amongst other things. Reputational risks may also arise from the methods and practices of third parties that are part of our supply chain, including labour standards, health, safety and environmental standards, raw material sourcing and ethical standards in the countries in which we operate. We and our products may also be subject to product tampering. A growing source of risk to our reputation is our potential inability to adapt to environmental, social and governance best practices, including with respect to sustainability opportunities and challenges such as transparency and traceability of sourcing, supply chain performance and environmental impacts (water, climate change, waste), alongside changing stakeholder expectations, including the use of packaging (plastics, paper and board).

Any perceived or actual concerns related to our products, our operational practices, our supply chain or the industry more generally, such as the long-term effects of household chemicals and OTC drug ingredients on human health and the environment, may be widely disseminated online, on consumer blogs or other social media sites, or via print and broadcast media. Similarly, any litigation that we have faced or may face may subject us to increasing negative attention in the press. In addition, companies with global operations have come under criticism for corporate tax planning, and criticism of our structures or those of our peers could also generate negative publicity. Any negative publicity could significantly undermine our reputation, and current methods of dissemination of information (particularly given the prevalence of social media, including the ability of reports to ‘go viral’ online) mean that potential threats to reputation can occur in a very short period of time and reach a far broader audience than historically was the case, making it far more difficult to address. Moreover, third parties have sold or may sell products that are counterfeit or unauthorised versions of our brands, or inferior ‘lookalike’ brands that resemble ours. Consumers may confuse our products with such brands, which may adversely affect our reputation. Any of the foregoing could have a material adverse effect on our business, financial condition or results of operations.

We are exposed to product safety and product liability risks.

Our business is subject to product safety risks and we have established processes for the assessment of product safety. However, there can be no guarantee that our processes will prevent all product safety issues or that there will be no gaps in the completion of the safety assessment. Furthermore, some of our products present inherent dangers, including due to the presence of chemicals, which, if mishandled or misused, could result in significant damage. As a manufacturer of health and hygiene products, we store, and utilise, a variety of hazardous materials at each of our production and research and development ("**R&D**") locations and each location also generates hazardous waste. Our facilities and operations are subject to various environmental, health and safety laws and regulations in each of the jurisdictions in which we operate (for example, the EU REACH Regulations). Each production and R&D site is required to comply with local legal requirements covering the storage, handling, use, and where appropriate disposal, of these materials and waste. Additionally, we have developed a number of mandatory internal standards covering hazardous materials management and waste management. If we are found by regulators or courts to have been non-compliant with applicable laws and regulations, we could be subject to civil remedies such as fines, injunctions or product recalls, and/or criminal sanctions, any of which could have a material adverse effect on our business, reputation, financial condition and results of operation.

As a product manufacturer, we are subject, from time to time, to certain legal proceedings and claims arising in connection with our products, including as a result of unanticipated side effects or issues that become evident only after products are widely introduced into the marketplace. We have paid in the past, are currently paying and may be required in the future to pay, compensation for losses or injuries that are allegedly caused by our products. See "*—We face significant financial and reputational risk in relation to humidifier sanitiser products marketed by our Korean subsidiary.*". Product liability claims may arise, amongst other things, from claims that our products are defective, contain contaminants, provide inadequate warnings or instructions, or cause personal injury to persons or damage to property. Product liability claims, if resolved unfavourably, or if settled, could result in injunctions and/or may require us to pay substantial damages and related costs, including punitive damages, as well as result in the imposition of civil and criminal sanctions. If one of our products is found to be defective, we could be required to recall it, and/or may be required to alter our trademarks, labels or packaging, which could result in adverse publicity, significant expenses, potential disruptions in the supply chain and loss of revenue. In addition, we face certain specific risks related to our infant and children's nutrition products and may be subject to liability if these products or the related manufacturing operations violate, or are alleged to violate, applicable laws or regulations or in the event these products cause, or are alleged to cause, injury, illness or death. Powdered infant formula and powdered milk products are not sterile. A risk of contamination or adulteration exists at each stage of the production cycle, including the purchase and incorporation of raw food materials and ingredients into the final products, the processing and packaging steps in making the products and upon handling and use by healthcare professionals, hospital personnel and consumers. In the event that our infant and children's nutrition products are found, or are alleged, to have suffered contamination or adulteration, whether or not such products were under our control, our brand reputation, business, results of operations, financial condition and prospects could be materially and adversely affected.

We have in the past voluntarily implemented, and may in the future face product quality concerns and voluntarily implement product recalls, which could be costly and could expose us to product liability claims. A recall of any of our products, or of a third-party product that is similar to ours, could result in reputational damage and a decline in consumer confidence about our products, including those not directly implicated in the recall. Additionally, complaints, investigations and litigation pursued by consumers or government authorities relating to any of our products, our competitors' products or individual ingredients may result in judgments that affect us, our ability to do business in the affected jurisdictions and/or the industries in which we operate, including with respect to other products not

directly implicated in such complaints, investigations and litigation. Further, whether real or perceived, reports of inadequate quality control (with respect to either our products or those of competing manufacturers) could adversely impact our business by contributing to a perceived safety risk throughout the industry. The risk of reputational harm is magnified through rapid digital dissemination of information through news reports, social media or otherwise. Federal, state and local governments and municipalities could also propose or pass legislation banning the use of our products. Any of the foregoing could materially adversely impact our business, financial condition, results of operations and prospects.

Furthermore, we may not be insured fully, or at all, in respect of such risks, and we have in the past faced, currently face, and may in the future face, disputes with our insurers in the event that they refuse to cover a particular claim. In such instances, we may be required to bear substantial losses, which could adversely impact our capital expenditures, results of operations and financial condition.

We may be unable to attract and retain qualified personnel, including key senior management.

We invest in recruiting and training personnel and senior management. Our business depends, in part, on executive officers and senior management to provide uninterrupted leadership and direction for our business, and qualified personnel for product research and development. This need is all the more acute in the context of a growing business and implementation of our new strategy and the resource planning programmes to promote and manage such growth and transformation. Uncertainty relating to our future strategy and fatigue from a period of sustained business change may make it more difficult for us to attract and retain qualified personnel in a market for talent that is intensely competitive and may become increasingly more competitive. Our ability to attract and retain key management and other personnel is dependent on a number of factors, including prevailing market conditions and attractiveness of competitors as potential employers. We could face challenges in sourcing qualified personnel, with the requisite training and suitable international experience, particularly in countries such as China, where the availability of skilled employees may be limited to meet our demand.

Further, variable pay is, and will continue to be, the major element of our current executive directors' and senior executives' total compensation package. If we are unable to achieve our performance targets, our senior management would not be entitled to such variable pay, which may operate as a disincentive for them to continue their employment with us. The loss of key personnel, or our inability to recruit qualified personnel to meet our operational needs, may delay or curtail the achievement of major strategic objectives.

Disruptions to the continuity of supply could negatively impact our business.

We face risks related to disruptions of our supply chain and production facilities as well as failures of our business continuity plans, which could materially adversely affect our results of operations. We source our raw and packaging materials, including bulk chemicals, plastics, pulp, metal cans and finished goods from a wide variety of international chemical and packaging companies and co-packers. In addition, the production of our infant and children's nutrition products depends on a reliable supply of skim milk powder, whole milk powder, lactose and whey protein concentrate. We also outsource the manufacture of some of our products to third parties. Our suppliers are generally diversified in terms of geography and supplied items, but we may face risks to continuity of supply arising from certain specialised suppliers of both raw materials and third-party manufactured items, including speciality chemicals and components, as well as dairy products necessary for the manufacture of our infant and children's nutrition products. We may also incur higher prices for raw materials than we would if we adopted a more concentrated approach to obtaining supplies.

More generally, significant disruptions to our suppliers' or our own operations, such as disruptions resulting from trade barriers, natural catastrophes, including as a result of the effects of climate change,

pandemics or other outbreaks of diseases, acts of war or terrorism, or otherwise, may affect our ability to source raw materials on a more global basis, and negatively impact our costs. See "*—Disruptions to the continuity of demand for and supply of our products caused by the actual or perceived effects of a disease outbreak, including the COVID-19 pandemic, or similar widespread public health concerns could negatively impact our business*". The failure of a number of third-party suppliers to fulfil their contractual obligations, in a timely manner, or at all, may result in delays or disruptions to our business, particularly if the relevant business continuity plan does not adequately address the risk. Replacing suppliers may require a new supplier to be qualified under industry, governmental or our own internal standards, which could require an investment of time and other resources. In addition, a number of our facilities are critical to our business, particularly in certain key markets that rely on single manufacturing sites, and major or prolonged disruption at those facilities, whether due to accidents, sabotage, strikes, closure by government agencies or otherwise, could materially adversely affect our operations. For example, in 2018 we experienced a temporary manufacturing disruption in our European IFCN plant, which led to more expensive logistical costs as we sought to restock channels as quickly as possible and led to some loss in demand following on-shelf availability shortages in China. Moreover, sites in which our products are manufactured are subject to supervision by regulatory agencies, on both an ongoing and ad hoc basis. In addition, regulatory changes impacting local suppliers could also disrupt our operations or entail additional costs. If we are unable to obtain or produce sufficient quantities of a particular product, at specifically approved facilities, whether due to disruption to, or failure of, our manufacturing processes, or otherwise, we may fail to meet customer demand on a timely basis, which could undermine our sales and market share and could result in customer dissatisfaction and damage to our reputation.

Particularly with respect to our infant and children's nutrition products, reduced manufacturing capacity without adequate redundancy could result in an inability by us to meet market demand and a loss of market share. Infant and children's nutrition products are, in some countries, subject to restrictions or consumer preferences based on the country of origin of the products or ingredients, making it difficult or impossible to replace a loss of manufacturing capacity at certain key sites in a timely manner. Particularly in China, new regulations are being introduced with respect to registration and certification of both infant formula products and their manufacturing sites. If manufacturing sites are unable to meet the new requirements, or if there are disruptions in supply from those sites, there may not be alternative sources of supply for the products being manufactured at those sites. As a result, significant disruption in global manufacturing and sourcing activities for any of the above reasons could interrupt our business and lead to increased costs, lost sales and reputational damage.

In addition, any failure to comply with applicable legal and regulatory requirements could lead to interruption of production, product recalls, seizures and revocation of licences to operate at any of our facilities. Any interruption or disruption in our supply chain, particularly if significant or prolonged, could materially adversely affect our business, prospects, results of operations and financial condition.

Disruptions to the continuity of demand for and supply of our products caused by the actual or perceived effects of a disease outbreak, including the COVID-19 pandemic, or similar widespread public health concerns could negatively impact our business.

Our business could be negatively impacted by the fear of exposure to or actual effects of a disease outbreak, epidemic, pandemic, or similar widespread public health concern. In particular, as a result of the novel coronavirus ("**COVID-19**") pandemic, such impacts include reduced travel or recommendations and mandates from governmental authorities to avoid large gatherings or to self-quarantine. Moreover, COVID-19 has led to sharp reductions in global growth rates and the ultimate impact on economic activity remains uncertain, it may, however, have significant negative impacts in the medium-term. Impacts also include, but are not limited to:

- *Significant reductions in demand or significant volatility in demand for one or more of our products*: such reductions may be caused by, among other things, the temporary inability of consumers to purchase our products due to illness, quarantine or other travel restrictions, financial hardship, shifts in demand away from one or more of our more discretionary or higher priced products to lower priced products, stockpiling or similar pantry-loading activity. Demand for certain products may also be adversely impacted due to misinformation regarding the benefits or the efficacy of certain products. If prolonged, such impacts can further increase the difficulty of planning for operations and may materially adversely impact our results;

- *Inability to meet our customers' needs and achieve costs targets due to disruptions in our manufacturing and supply arrangements*: such inability may be caused by the loss or disruption of essential manufacturing and supply elements, including raw materials or other finished product components, transportation, workforce, or other manufacturing and distribution capability;

- *Failure of third parties on which we rely to meet their obligations to the Group*: failure of third parties on which we rely, including our suppliers, contract manufacturers, distributors, contractors, commercial banks, joint venture partners and external business partners, to meet their obligations to the Group, or significant disruptions in their ability to do so, which may be caused by their own financial or operational difficulties and may adversely impact our operations; or

- *Significant changes in the political conditions in markets in which we manufacture, sell or distribute our products*: such significant changes in political conditions include quarantines, governmental or regulatory actions, closures or other restrictions that limit or close our operating and manufacturing facilities, restrict our employees' ability to travel or perform necessary business functions, or otherwise prevent our third-party partners, suppliers, or customers from sufficiently staffing operations, including operations necessary for the production, distribution, sale, and support of our products, which could adversely impact our results.

To date, we believe COVID-19's impacts have largely been limited to supply chain impacts, which have not significantly negatively affected our business, and a decrease of liquidity in the market for short-term commercial paper, which has resulted in the Group drawing down £750 million under its committed borrowing facilities post year end as an alternative source of funding. For additional information, see "*Operating and Financial Review—Liquidity and capital resources*". The ultimate impact of the factors outlined above also depends on factors beyond our knowledge or control, including the duration and severity of any such outbreak as well as third-party and government actions taken to contain its spread and mitigate its public health effects.

Volatility in the price of commodities, energy and transportation may impact our profitability.

Volatility in the price of commodities, energy and transportation may impact our profitability, particularly with respect to the infant and children's nutrition products. These raw materials include, amongst others, dairy products, such as skimmed milk powder, whole milk powder and lactose and whey protein concentrate. Our operating costs also depend on the cost of other inputs used to manufacture and ship our products, such as crude oil and energy, and the amount we pay to produce or purchase packaging for our products. Certain materials for the production or packaging of finished goods, such as oil-related commodities, are subject to fluctuating prices. Commodity price volatility is caused by conditions such as fluctuating commodities markets, fluctuations in currency exchange rates, availability of supply, weather, consumer demand and changes in governmental agricultural programmes, amongst others. Increases in the costs or decreases in the availability of such commodities,

and increases in other costs such as energy and transportation, could adversely affect our profitability if we are unable to pass on the higher costs in the form of price increases or otherwise achieve cost efficiencies. Even if we were to increase the prices of our products, competitors may opt not to adjust their prices in response to increasing costs and customers may refuse to pay higher prices. Our inability to manage this risk effectively, or at all, could have a material adverse effect on our results of operations.

Our business may be adversely affected by any deterioration in global economic and political conditions.

We are one of the world's leading manufacturers and marketers of branded hygiene, health and nutrition products, selling a comprehensive range of products through over 60 operating companies across the globe. We operate at scale, have a broad geographical spread and a broad product range and market segment exposure.

Consequently, our business and results of operations are affected by changes in both global economic conditions and the individual markets in which we operate. Certain markets, including a number of developing markets in which we have or plan to focus our investment and growth efforts, exhibit more volatile demand in reaction to macroeconomic factors than other markets. In particular, China and other key markets are increasingly characterised by economic uncertainty, including as a result of trade conflicts, regional political tensions and health epidemics. Such economic and political uncertainty can also impact consumer confidence and behaviour, and a deterioration of conditions can have a negative impact on our ability to manufacture, distribute or sell our products in China and other key markets. In addition, terrorist acts, civil unrest and other similar disturbances, as well as natural catastrophes and pandemics such as the COVID-19 pandemic, in a particular market or markets can impact economic conditions and consumer confidence, degrade infrastructure, disrupt supply chains and otherwise result in business interruption. See "*—Disruptions to the continuity of demand for and supply of our products caused by the actual or perceived effects of a disease outbreak, including the COVID-19 pandemic, or similar widespread public health concerns could negatively impact our business*".

A variety of factors may adversely affect our results of operations and financial condition during periods of economic uncertainty or instability, social or labour unrest or political upheaval in the markets in which we operate. For example, our operations and supply chains may be disrupted. In addition, we may face increased pricing pressure or competing promotional activity for lower-priced products as competitors seek to maintain sales volumes. Periods of economic upheaval may also expose us to greater counterparty risks, including with customers, suppliers and financial institutions, who may become insolvent or otherwise unable to perform their obligations. We may also experience greater fluctuations in foreign currency movements, increased commodity prices and increased transportation and energy costs. Periods of economic and political upheaval may also lead to government actions, such as imposition of martial law, trade restrictions, foreign ownership restrictions, capital, price or currency controls, tariffs, nationalisation or expropriation of property or other resources, or changes in legal and regulatory requirements, including those resulting in potentially adverse tax consequences. We may also be unable to access credit markets, including the commercial paper market, on favourable terms, or at all, which could materially adversely affect our liquidity and capital resources or significantly increase our cost of capital.

We are exposed to certain developing market risks, including financial, political and regulatory and economic risks.

Our scale and presence in developing markets may present challenges, including:

- financial risks, including exposure to markets with differing levels of maturity. Less mature markets may have an increased risk of wage and cost inflation, volatility in currency exchange

rates, illiquidity, inflation, devaluation, price volatility, currency convertibility, restrictions on the movement, access and transfer of funds and country default;

- political and regulatory risks, including changes in government policy, political and economic changes, changes in the relations between countries, actions of governmental authorities affecting trade (including changes to tariffs and duties) and foreign investment, regulations on repatriation of funds, interpretation and application of local laws and regulations, changes in tax rates, enforceability of intellectual property ("**IP**") and contract rights, nationalisation or expropriation, and local labour conditions and regulations; and

- economic risks, including declines in consumer spending, changing customer expectations, exposure to new competitors and employment levels.

In particular, we have a significant presence in China. As a result, the risks highlighted above are particularly significant for us in China. The regulatory landscape in China is evolving faster than in developed markets, particularly in the infant and children's nutrition sector. Our Chinese business may be adversely affected by the need to comply with China's continuously evolving laws and regulations, including those related to trade restrictions, product quality requirements, product labelling rules and advertising regulations, particularly to the extent changes in such laws affect infant and children's nutrition products.

Risks associated with our China operations also include changes in economic conditions (including potential slowdowns in China's economy, wage and cost inflation, currency exchange rates, consumer spending and employment levels), changes in tax rates, tariffs, duties and other trade barriers and increased competitive promotional activity. Moreover, our success in China depends on our ability to predict, identify, interpret and react to changes in consumer product and sales channel preferences. The recent shift in consumer demand towards local producers, coupled with lower birth rates, expanded local competition and steeper regulatory hurdles have all contributed to the decline in our overall market share in China. Moreover, emerging markets are often affected by developments in other developing markets and, accordingly, adverse changes in developing markets could have a negative impact on the markets in which we operate. Due to our geographic mix, these factors could affect us more than our competitors with less exposure to developing markets. Any general decline in developing markets as a whole could have a material adverse effect on our financial condition or results of operations.

If we cannot effectively manage exposure to any of these challenges, our business, financial condition, results of operations or prospects could be materially adversely impacted.

Sales of infant and children's nutrition products are exposed to demographic trends, scientific opinion and certain government programmes.

Increases in sales of our infant and children's nutrition products rely, in part, on favourable demographic trends in various markets, including birth rates, rising incomes in developing markets, increasing numbers of working mothers and increasing consumer global awareness of the importance of infant and children's nutrition. If any of these demographic trends change in an adverse way due to macroeconomic factors, epidemics or other factors beyond our control, our business could be adversely impacted. In addition, an adverse change in scientific opinion regarding infant and children's nutrition products, such as the health benefits of DHA or other bioactive, could materially adversely affect our business.

In the United States, sales of infant and children's nutrition products are exposed to changes in the Special Supplemental Nutrition Program for Women, Infants and Children ("**WIC**"). The WIC programme is a U.S. Department of Agriculture ("**USDA**") programme created to provide nutritious foods, nutrition education and referrals to healthcare professionals and other social services to those

considered to be at nutritional risk, including low-income pregnant, postpartum and breastfeeding women, and infants and children up to age five. It is estimated that approximately 42 per cent. of all infants born in the United States during the 12-month period ended 31 December 2019 benefited from the WIC programme. The USDA programme is administered individually by each state. WIC contracts generally have three-year terms with some contracts providing for extensions; specific contract provisions can vary significantly from state to state. Participation in WIC involves a competitive bidding process and has historically been an important part of our U.S. nutrition business following the Mead Johnson acquisition based on the volume of infant formula sold under the programme. Over 50 per cent. of our state WIC contracts expire and are subject to renewed bids during 2020 and 2021. A failure to win bids for new contracts pursuant to the WIC programme or our inability to maintain current WIC relationships or an exclusion of us from the WIC programme for any reason would have a material adverse effect on the sales of infant and children's nutrition products in the United States.

Moreover, under recently awarded WIC contracts, trends have been towards significantly higher rebate levels. If these trends continue, the cost of retaining WIC contracts could adversely affect our U.S. sales and/or results of operations. IFCN sales could also be materially adversely affected by any changes to how the WIC programme is administered, any changes to rebate levels and renewal patterns for WIC contracts, any changes to the eligibility requirements and/or overall participation in the WIC programme and any failure to maintain fulfilment or other obligations in connection with current WIC contracts. A decline in sales of infant and children's nutrition products due to any of the factors described above could have a material adverse effect on our business, results of operations, financial condition and prospects.

We face significant financial and reputational risk in relation to humidifier sanitiser products marketed by our Korean subsidiary.

The Humidifier Sanitizer ("**HS**") issue in South Korea was a tragic event. The Group continues to make both public and personal apologies to victims.

In 2001, we acquired Oxy, a South Korean company. Oxy RB manufactured and sold household products, including HS products that accounted for less than 0.5 per cent. of their sales. By 2011, Oxy RB was one of about 13 suppliers of HS products in the South Korean market. We did not sell HS products in any other market. Oxy RB continued to sell the HS products in South Korea for the next 10 years. In 2011, the Korean Centre for Disease Control (the "**KCDC**") determined that HS products might be responsible for serious respiratory diseases, including fatalities. Oxy RB immediately began to withdraw its HS products.

Oxy RB was the subject of a legal action from the government and sought to defend itself in the courts. It took the same approach in defending against civil claims that began to arise from individual victims. In July 2016, a compensation package was established by Oxy RB to provide fair compensation to Oxy HS product users categorised by the South Korean government in Rounds 1 and 2 of the South Korean government's categorisation process as suffering, or having suffered, lung damage which was "almost certainly" ("**Category I**") or had a "high possibility" ("**Category II**") of being a result of their use of Oxy RB's HS product (the "**Compensation Plan**"). In August 2018, the Compensation Plan was extended for Category I and II users, categorised as Round 4. The South Korean government opened Round 4 to new applicants on 25 April 2016 for an indefinite period and continues to receive applications. As of February 2020, 5,453 applications to participate in Round 4 have been received; however, the number of additional victims in Round 4 cannot be reliably estimated as Round 4 remains open for an indefinite period. The Compensation Plan was designed in consultation with victims and their families, informed by four overarching values of fairness, transparency, respect and speed and is aimed at addressing each person's health issue according to their own individual circumstances, including those who have previously entered into settlement agreements with Oxy RB. For additional

information, see "*Our Business—Material Governmental and Legal Proceedings—South Korea HS issue*".

We expect to incur a number of other non-recurring costs in relation to the HS issue and the risk of additional financial exposure remains. For more information, see "*Our Business—Material Governmental and Legal Proceedings—South Korea HS issue".* Furthermore, Oxy RB suffered reputational damage in South Korea, which, in turn, adversely affected, and could continue to adversely affect, demand for our products. The financial expenses and reputational damage associated with the HS products could have a material adverse effect on our business, reputation, financial condition and results of operations.

We are subject to a wide range of laws and regulations that are subject to change, and a failure to comply could expose us to fines, regulatory restrictions, civil litigation, criminal prosecution and/or reputational damage.

Our business and products are heavily regulated by governments and other regulatory bodies in the countries in which we operate. Regulation is imposed in respect of, but not limited to, ingredients, manufacturing standards, patient safety, clinical trial standards, labour standards, product safety and quality, marketing, packaging, labelling, storage, distribution, advertising, imports and exports, data storage and processing, social and environmental responsibility and health and safety. In addition, we are required to obtain and maintain licences in respect of certain of our products, which must be regularly updated in order to improve our products and take into account any variations. If we are found by regulators or courts to have been non- compliant with applicable laws and regulations, we could be subject to civil remedies such as fines, injunctions or product recalls, and/or criminal sanctions, any of which could have a material adverse effect on our business, reputation, financial condition and results of operations. Risks related to potential non-compliance with applicable quality regulations, guidelines and standards related to the production of our goods are heightened as a result of increasing scrutiny, complexity, frequency and stringency of audit requirements on our factories by regulators in various markets.

We are also subject to the introduction of new regulations, modification of existing regulations or changes in interpretation of existing or new regulations. Changes to the laws and regulations to which we and our operations are subject, whether as a result of new or more stringent requirements, or more stringent interpretations of existing requirements, could impact the way we conduct our business or market our products (for example, a change in the regulatory status of an OTC product could result in it being moved from on the shelf to behind the counter or restricted to availability only with a doctor's prescription) and could impose significant compliance costs and have a material adverse effect on our results of operations.

The laws and regulations to which we are subject may not be transparent, may be difficult to interpret and/or may be enforced inconsistently, particularly in some developing market countries in which we operate, where the legal systems may not be well-established or reliable. There may be a lack of respect for the rule of law, a lack of enforcement of property rights, inconsistent or insufficient access to remedy through legal systems or lack of judicial independence and corruption, which could result in greater uncertainty in enforcing contracts, difficulties in obtaining legal redress, particularly against the state or state-owned entities, and higher operational costs and risks to our business.

Regulatory authorities and consumer groups may, from time to time, request or conduct reviews of the use of certain ingredients that are used in manufacturing our products, the results of which may have a material adverse effect on our business. Ingredient legislation could have a detrimental impact on our business, undermine our reputation and goodwill and affect consumer demand for products containing such ingredients. We may voluntarily remove, or be required to remove, certain ingredients from our products or any products that we may acquire. We may not be able to develop an alternative formulation,

successfully modify our existing products or obtain necessary regulatory approvals on a timely basis, or at all, which could adversely impact our business and results of operations.

We have in the past been, currently are, and may in the future be, subject to investigations and potential enforcement action. Some such action could have in the past, or could in the future have, a material adverse effect on our business.

Furthermore, we have in the past been, currently are and could in the future be subject to regulatory investigations or potential enforcement action that targets an industry, a set of business practices or our specific operations. These investigations or enforcement actions could be in respect of specific industry issues or broader business conduct issues. In July 2019, we reached a settlement with the U.S. Department of Justice ("**DOJ**") and the U.S. Federal Trade Commission ("**FTC**") in connection with certain matters relating to sales and marketing of Suboxone Film by the Group's former prescription pharmaceuticals business, Indivior, a business that was wholly demerged from the Group in 2014. Under the terms of the settlement agreements, the Group agreed to pay $1.4 billion (£1.1 billion) to fully resolve all federal investigations into the Group in connection with the subject matter of the Indivior indictment and claims relating to state Medicaid programmes. However, in connection with the same matters, we may be subject to litigation with individual U.S. states or investor class actions suits and we may incur additional liabilities, which may be material.

Any of the foregoing could have a material adverse effect on our business, reputation, financial condition or results of operations.

Infant and children's nutrition products are subject to regulatory risks and anti-infant formula policies and legislation in various jurisdictions.

The infant and children's nutrition business is subject to extensive government regulation in a number of jurisdictions with respect to product manufacturing and labelling, the environment, employee health and safety, hygiene, quality control, advertising, marketing and privacy laws. Global regulatory provisions that govern our ability to bring innovative formulae to market have become increasingly stringent with regard to requirements for scientific substantiation for innovation. Similarly, regulatory criteria with respect to safety and quality requirements have become increasingly stringent. A failure to comply with such laws and regulations could subject us to sales bans, product recalls, lawsuits, administrative penalties and other remedies. In addition, changes in laws or regulations could further restrict our actions and significantly increase our cost of doing business, materially adversely affecting our business and results of operations. For example, government regulations impacting how and where we manufacture or source products may cause unfavourable cost outlay, pricing pressure, a significant change in our offerings or geographic earnings mix and/or an adverse effect on the related global tax liability.

In addition, certain advocates and governmental and non-governmental organisations have advocated for heightened restrictions on the marketing, labelling and even the sale of some infant and children's nutrition products, as well as trademark restrictions, restrictions on interactions with healthcare providers and bans on claims for products covering children up to three years of age, including the "Guidance on Ending the Inappropriate Promotion of Foods for Infants and Young Children" that was published by the World Health Organization ("**WHO**") in 2016. The WHO guidance is now under consideration for potential legislation in several countries where we market our infant and children's nutrition products (particularly in Mexico, the Philippines, Malaysia, Indonesia, Colombia, Ecuador and the Dominican Republic), and in the international standard setting body the Codex Alimentarius (the "**Codex**"). If adopted into local legislation or the Codex, it may limit our ability to market products for infants and children below three years of age and certain other branding and marketing activities. Our success in the infant and children's nutrition product category will depend, in part, on our ability to define the benefits of our products, to effectively communicate their science-based benefits and to

connect with our consumers. An inability to do so due to regulatory restrictions on marketing activities could adversely affect the sales of our infant and children's nutrition products. Any such restrictions or prohibitions could also have a material adverse effect on our business, results of operations, financial conditions and prospects. Marketing activities in the infant and children's nutrition sector could also adversely affect our reputation, including in light of the WHO Guidance on Ending the Inappropriate Promotion of Foods for Infants and Young Children, opposing such activities.

We are subject to antitrust and competition laws in the vast majority of countries in which we do business.

Failure to comply with applicable antitrust and competition laws, rules and regulations in any jurisdiction in which we operate may result in civil and/or criminal legal proceedings being brought against us. We have in the past been, currently are, and may in the future be, subject to investigations and legal proceedings with respect to antitrust and competition matters. Investigations and legal proceedings relating to competition and antitrust matters often continue for several years, can be subject to strict non-disclosure provisions and, if laws are deemed to have been violated, can result in substantial fines, other sanctions or damages, which may have a material adverse effect on our business, reputation, financial condition and results of operations. Our strategy for growth has historically included, and continues to include, acquisition activities, which are subject to antitrust and competition laws. Such laws and regulations may impact our ability to pursue, or delay the implementation of, strategic transactions.

We are subject to anti-money laundering and anti-corruption regulations.

We operate in a number of countries in which bribery and corruption pose significant risks, and we may be exposed to liabilities under anti-bribery laws for any violations. Any violation of applicable money laundering laws could also have a material adverse impact on us. We are subject to anti-bribery laws and regulations that prohibit us and our intermediaries from making improper payments or offers of payments to foreign governments, their officials and political parties or private parties, for the purpose of gaining or retaining business, including the UK Bribery Act 2010, the U.S. Foreign Corrupt Practices Act of 1977, as amended, and similar laws worldwide. Given our extensive international operations, particularly in developing markets, where bribery and corruption may be more commonplace, we are exposed to significant risks, particularly with respect to parties that are not always subject to our direct control such as agents and joint venture partners. These risks may be heightened for us due to our operations in the healthcare sector, which, in recent years, has experienced greater compliance risks than other sectors. We may also be held liable for successor liability violations of such laws committed by companies which we acquire or in which we invest.

Moreover, due to the significant amounts of money involved in global supply contracts, there is also potential for suppliers to attempt to bribe our employees. Actual or alleged violations of anti-bribery laws could result in severe consequences, including, but not limited to, civil and criminal sanctions, termination of contracts by our counterparties, disruptions to our business and reputational harm, all of which could materially and adversely affect our financial condition and results of operations. We also deal with significant amounts of cash in our operations and are subject to various reporting and anti-money laundering regulations. Any violation of anti-money laundering laws or regulations by us could have a negative effect on our results of operations.

In the ordinary course of business, we are, and may in the future be, involved in various legal or regulatory proceedings.

Legal proceedings in respect of claims outside the product liability area could also adversely impact our business, results of operations and financial condition. Outside the product liability area, we are subject to legal proceedings and other claims arising out of the ordinary course of business, and we may become

involved in legal proceedings, which include, but are not limited to, claims alleging intellectual property rights infringement, breach of contract, environmental laws and health and safety laws, including in relation to patient safety. From time to time, we face consumer complaints and/or civil or criminal investigations in respect of our products and their alleged purposes, including in respect of advertising claims that we make about our products. Significant claims, or a substantial number of small claims, may be expensive to defend and may divert management time and our resources away from our operations. See "*—We face significant financial and reputational risk in relation to humidifier sanitiser products marketed by our Korean subsidiary.*".

Where appropriate, we establish provisions to cover potential litigation-related costs. Such provisions may turn out to be insufficient, and any insurance coverage we maintain may not cover our losses fully, or at all. We cannot predict the outcome of individual legal actions. We may settle litigation or regulatory proceedings prior to a final judgment or determination of liability. We may do so to avoid the cost, management efforts or negative business, regulatory or reputational consequences of continuing to contest liability, even when we believe we have valid defences to liability. We may also do so when the potential consequences of failing to prevail would be disproportionate to the costs of settlement. Substantial legal liability could materially adversely affect our business, financial condition or results of operations or could cause significant reputational harm, which could seriously harm our business.

We could be subject to adverse changes in tax laws, regulations or interpretations or challenges to our tax positions.

We conduct business operations in a number of countries, and therefore are subject to tax laws in multiple jurisdictions, including those relating to the flow of funds and transactions between the companies in the Group. Our effective tax rate in any given financial year may reflect a variety of factors that may not be present in succeeding financial years, and may be affected by changes in the tax laws of the jurisdictions in which we operate, or the interpretation of such tax laws. Certain tax positions taken by us are based on industry practice and tax advice. In particular, international transfer pricing is an area of taxation that depends heavily on the underlying facts and circumstances and generally involves a significant degree of judgement.

Changes in tax laws, regulations and related interpretations (including those arising as a result of the Organisation for Economic Co-operation and Development's ("**OECD**") base erosion and profit shifting project and from the EU's investigations into potential breach of State Aid rules in respect of tax rulings) and increased enforcement actions and penalties may alter the environment in which we do business, and tax planning arrangements are frequently scrutinised by tax authorities worldwide. Additionally, tax regulators in various markets in which we operate have taken increasingly aggressive and targeted corporate inspections, which can potentially result in increased future tax liabilities.

In the United States, the Tax Cuts and Jobs Act (the "**TCJA**"), which was enacted in 2017, significantly reformed the United States Internal Revenue Code of 1986, as amended (the Code). The TCJA includes a number of significant changes to the U.S. taxation of multinational corporations and U.S. tax authorities continue to issue various forms of guidance, including notices of proposed rulemaking and United States Treasury regulations, implementing and clarifying aspects of the TCJA and other related topics. Changes in tax laws or regulations increase tax uncertainty, could have a prospective or retroactive application to us and could have a negative impact on our effective tax rate and/or tax payments, any of which could materially adversely impact our business, financial condition or results of operations.

We have in the past faced, and may in the future face, audits and challenges brought by tax authorities. We are also involved in ongoing tax investigations in a number of jurisdictions around the world. If material challenges were to be successful, our effective tax rate may increase, we may be required to

modify structures at significant costs, be subject to interest and penalty charges and incur costs in defending litigation or reaching a settlement. In addition, in connection with various tax-free transactions in various jurisdictions, we have relied on certain assumptions and representations as to factual matters, as well as certain covenants regarding the future conduct of certain businesses and other matters, the incorrectness or violation of which could affect the qualification of such transactions for non-recognition of gain and loss and potentially result in a material adverse effect on our financial condition and operating results.

Our operations are subject to health, safety and human rights risks.

Accidents caused through a failure of our safety management systems could potentially lead to injury or loss of life for one or more of our employees. Although we maintain an external certification to OHSAS 18001 for management of health and safety issues at all of our production facilities (except for two recently acquired sites where we are working to achieve certification) and a programme covering manufacturing sites, warehouses, distribution centres and laboratories. If accidents occur in the future, our business and results of operations and financial condition may be adversely impacted.

We are subject to health, safety and environmental laws of various jurisdictions. These laws impose duties to protect people, the environment and the communities in which we operate, as well as potential obligations to remediate contaminated sites. Failure to manage environmental, health and safety and sustainability risks could lead to significant harm to people, the environment and communities in which we operate, fines, failure to meet stakeholder expectations and regulatory requirements, litigation or regulatory action and damage to our reputation and could materially and adversely affect our financial results. In addition, most product, component and raw material supply chains present a number of potential reputational risks relating to: labour standards; health, safety and environmental standards; raw material sourcing; and the social, ethical and environmental performance of third party manufacturers and other suppliers. Our Global Manufacturing Standard for responsible production mandates minimum requirements regarding these issues, in line with international guidelines, for our own manufacturing sites, third party manufacturers and suppliers. If it is perceived that we are not respecting or advancing the economic and social progress and safety of the local communities we work in, our reputation could be damaged, which could have a negative impact on our 'social licence to operate', our ability to secure new resources and labour and our financial performance.

We are subject to environmental risks from climate change and water scarcity.

The effects of climate change, including extreme weather events, could disrupt our supply chain by affecting our ability to source raw materials, manufacture products and distribute products. Although we have taken steps to limit our products' total carbon footprint, we are continually seeking to understand, measure and reduce the greenhouse gas emissions generated by all stages in the product lifecycle for our global product portfolio and including, amongst other things, the raw and packaging materials provided by our suppliers, our own direct manufacturing and other operations, transportation of both raw materials and finished products, the retail sale of our products, consumers' use of our products and the disposal/recycling of those products and their packaging. For more information, please see "*Our Business—Corporate Responsibility, Sustainability, Ethics and Compliance—Climate Change*".

Furthermore, water is vital for the making of raw and packaging materials, manufacturing and use of many of our products. While water is plentiful in some regions, it is increasingly scarce in others. Similar to the effects of climate change, which are interconnected with water availability, water scarcity could affect our ability to source materials or make and deliver relevant products for our consumers. Although we have developed an approach to understanding the water impacts of our products' lifecycle,

there can be no assurance that sustainable business solutions will be developed and failure to do so could have a material adverse effect on our financial condition and results of operations.

The success of our business and our access to capital and financing depend increasingly on the sustainability of our products.

Concern over climate change has increased the focus on the sustainability of practices and products in the market and may result in new or additional legal and regulatory requirements to reduce or mitigate the effects of climate change on the environment. Despite our sustainability efforts, any failure to achieve our sustainability goals to reduce our impact on the environment or the perception (whether or not valid) that we have failed to act responsibly with respect to the environment or to effectively respond to new or additional legal or regulatory requirements regarding climate change could result in adverse publicity and could materially adversely affect our business and reputation, including as a result of consumers shifting toward more sustainable products.

There is also increased focus, including by governmental and non-governmental organisations, investors, customers, consumers and other stakeholders on these and other sustainability matters, including deforestation and the use of plastic, energy and water. Our reputation could be damaged if we do not (or are perceived not to) act responsibly with respect to sustainability matters, which could adversely affect our business, results of operations, cash flows and financial condition.

Activists concerned about the potential effects of climate change have, in certain instances, directed their attention at sources of funding for companies. Increasingly, companies are being assigned "sustainability" scores, ratings and benchmarking by various organisations that assess corporate governance related to environmental and social matters. Moreover, members of the investment community and financial institutions have recently increased their focus on sustainability practices. As a result, if we are unable to establish adequate sustainability practices or increase the sustainability of our products, our ability to secure an adequate level of funding, including through financing, may be negatively impacted and it may be more difficult for us to compete effectively. Our efforts to improve our sustainability practices in response to these pressures may increase our costs, and we may be forced to implement technologies that are not economically viable in order to improve our sustainability performance and to perform services for certain customers.

A reduction in the amount of plastic and an increase in the use of recyclable content in our packaging is an important part of our work towards more sustainable packaging.

Both consumer and customer responses to the environmental impact of plastic waste and emerging regulation by governments to tax or ban the use of certain plastics, such as an ambitious package of measures presented by the European Commission in December 2019, which includes certain proposed restrictions on single-use plastic packaging, could require us to find solutions to reduce the amount of plastic we use, increase recycling post-consumer use and source recycled plastic for use in our packaging. We intend to continue to strengthen our commitment to responsible use of plastics across our packaging formats; however, we are also dependent on the work of our industry partners to create and improve recycling infrastructures throughout the globe. There is no assurance that we will be able to find appropriate replacement materials. Additionally, due to high demand, the cost of recycled plastic or other alternative packaging materials could significantly increase in the foreseeable future and this could impact our business performance. We could also be exposed to reputational harm and higher costs as a result of taxes or fines if we are unable to comply with plastics regulations. Any of the foregoing could have a material adverse effect on our business, financial condition or results of operations.

We may face risks and uncertainties with future acquisitions or divestitures.

While we are principally focused on organic growth, we have grown, and may continue to grow, in part, through acquisitions, joint ventures and business alliances, which present a range of risks and uncertainties. Our competitors may choose to target the same acquisition candidates, and consolidation in the industry may limit available opportunities for acquisitions. We may also be restricted by applicable antitrust laws, foreign investment laws or other laws and regulations from pursuing acquisitions. We may bear substantial out-of-pocket expenses associated with a failed acquisition. In addition, we may have entered into or choose to enter into joint ventures, business alliances or collaboration agreements, which could involve the same or similar risks and uncertainties as are involved in acquisitions. Joint ventures, for example, generally involve a lesser degree of control over business operations, which have in the past presented, and may in the future present, greater financial, legal, operational and/or compliance risks. In particular, a significant amount of our business in China is conducted through joint ventures. If any such joint venture partners choose to exit existing arrangements, we may be unable to find alternative joint venture partners in a timely manner, or at all, or may be forced to enter into other joint ventures on less favourable terms, which could have a material adverse effect on our business in the Chinese market. We have also disposed of some of our businesses and may continue to do so even as we focus on organic growth. There are a number of risks associated with such divestments. These include adverse market reaction to such changes or the timing or terms on which such changes are made, commercial objectives not being achieved as expected, unforeseen liabilities arising from such changes to the portfolio, sales revenues and operational performance not meeting our expectations, anticipated cost savings being delayed or not being achieved, an inability to retain key staff and transaction-related costs being more than anticipated. We may also remain liable for issues relating to the disposed businesses, whether known or unknown at the time of disposal. Any of the foregoing could have a material adverse effect on our business, financial condition or results of operations.

A disruption to, or failure of, our information technology systems and infrastructure may adversely affect our business.

We are dependent on information technology systems and infrastructure, including that which is outsourced to third party service providers, to support a wide variety of key business processes, including processing and storage of confidential and personal data, as well as for international and external communications as part of our accounting, logistics and distribution functions with suppliers, customers and consumers. Failures or disruptions to our systems or the systems of third parties on whom we rely, due to any number of causes, particularly if prolonged, or if any failure or disruption were to impact our backup or disaster recovery plans, could result in a loss of key data and/or affect our operations. In particular, the volume of customer data maintained by us has increased significantly following the acquisition of Mead Johnson.

Our computer systems, software and networks may be vulnerable to unauthorised access (from within our organisation or by third parties), computer viruses or other malicious code and other cyber threats that could have a security impact. The occurrence of one or more of these events potentially could jeopardise confidential, proprietary and other information processed and stored in, and transmitted through, our computer systems and networks, or otherwise cause interruptions or malfunctions in our operations, which could result in significant losses or reputational damage. For example, in June 2017 the Group and a number of other companies were affected by a sophisticated cyber-attack, which disrupted key operations including our manufacturing capacity, logistics and our go-to-market operations. We may be required to expend significant additional resources to modify our protective measures or to investigate and remediate vulnerabilities or other exposures, and we may be subject to

litigation and financial losses that are either not insured against or not fully covered through any insurance maintained by us.

We routinely transmit and receive personal, confidential and proprietary information by email and other electronic means. We have discussed and worked with customers, suppliers, counterparties and other third parties to develop secure transmission capabilities, but we do not have, and may be unable to put in place, secure capabilities with all such third parties and we may not be able to ensure that these third parties have appropriate controls in place to protect the confidentiality of the information. An interception, misuse or mishandling of personal, confidential or proprietary information being sent to or received from a consumer, customer, supplier, employee, counterparty or other third party could result in legal liability, regulatory action and reputational harm. The legislative environment has also been strengthened with substantial financial penalties now available in relation to data protection breaches, and an increased risk of civil and/or criminal proceedings, penalties and damage to reputation in relation to such breaches. For example, the European Union adopted a new regulation that became effective in May 2018, called the General Data Protection Regulation (the "**GDPR**"), which requires companies to meet new requirements regarding the processing of personal data, including its use, protection and transfer and the ability of persons whose data is stored to correct or delete such data. California has also adopted the California Consumer Privacy Act (the "**CCPA**"), which became effective on 1 January 2020 and which requires covered companies to provide California consumers with new disclosures and expands the rights afforded consumers with respect to their data. Failure to meet the requirements of the GDPR, the CCPA or other applicable regulations could result in penalties of up to 4 per cent. of annual worldwide revenue. The GDPR also confers a private right of action on certain individuals and associations.

Our reputation, brand and our ability to attract new customers could be adversely impacted if we fail, or are perceived to have failed, to properly respond to any disruptions or breaches of our information technology systems and infrastructure or to comply with any applicable regulation, such as the GDPR, and any such failures could also result in exposure to significant liability, which could have a material adverse effect on our business, financial condition or results of operations.

Our business may be adversely affected by labour disruptions and disputes with unions.

Labour disruptions may affect our results of operations. A substantial portion of our workforce is unionised, and our relationship with unions, including labour disputes or work stoppages, could have an adverse impact on our financial results. We are a party to collective bargaining agreements covering approximately one-third of our direct employees. If, upon the expiration of such collective bargaining agreements, we are unable to negotiate acceptable contracts with labour unions, it could result in strikes by the affected workers and thereby significantly disrupt our operations. Further, if we are unable to control healthcare and pension costs provided for in the collective bargaining agreements, we may experience increased operating costs and an adverse impact on future results of operations.

We may fail to adequately protect our intellectual property and may be subject to adverse claims from third parties.

We may be unable to secure and protect our claims to intellectual property rights. Our business relies on protecting our brands and our claims to intellectual property rights. We may not be able to substantiate and secure these claims and, even if registered rights are obtained, these may be invalidated, circumvented or challenged in future. Third parties may challenge our rights by, for example, asserting prior rights in, or ownership of, certain trademarks, trade dress rights, designs, patents, copyrights or other intellectual property rights. If we fail to discover any infringements of our intellectual property rights, or are otherwise unable to successfully defend and enforce our rights, our business could be materially adversely affected. Sales of counterfeits could be detrimental to consumers and, consequently, to corporate reputation. 'Lookalike' brands may also result in consumer confusion and/or

dilution of our brand equity. Any failure to substantiate or successfully assert our intellectual property rights could make us less competitive and may have a material adverse effect on our net revenue. In addition, our intellectual property rights would be undermined if one of our trademarks or brand names were to become a generic name for, or synonymous with, a general class of product or service. Should any of our trademarks become genericised, competitors would be allowed to use the genericised trademark to describe their similar products.

The loss of patent protection, ineffective protection or expiration of our patents may negatively impact our financial condition and results of operations. Intellectual property laws and patent offices are still developing, particularly in developing markets. Patent protection varies in different countries, and can be substantially weaker in developing markets in which we operate, when compared to the United States, the United Kingdom and the European Union. We have in the past faced, and may in the future face, significant challenges in enforcing or extending our current intellectual property protections, or any protections we may obtain in future, in the same manner as in more developed regions such as the United States, the United Kingdom and the European Union. We have obtained patent protection for a variety of our intellectual property, including the composition of some of our products (such as detergent) and certain devices (such as air freshener products). Certain countries may adopt measures to facilitate competition within their markets from generic manufacturers, and refuse to recognise patent protection. Additionally, expiry of our patents may increase competition and pricing pressures, and adversely impact our sales revenue, if generic products in the same or similar product class were to emerge. We could be similarly impacted if competitors lose patent protection in a product class in which we compete.

We may face challenges to our intellectual property rights from third parties, who allege that we are infringing on their rights. If we are unable to successfully defend against allegations of infringement, we may face various sanctions, including injunctions, monetary sanctions for past infringement, product recalls, alterations to our intellectual property, products and/or packaging, which could result in significant expense and negative publicity, and may have a material adverse effect on our financial condition and results of operations.

Fluctuations in exchange rates could negatively impact us.

Our reporting currency is pound sterling, but most of our revenue and costs are denominated in currencies other than pound sterling. In the year ended 31 December 2019, approximately 94 per cent. of our net revenue was derived from markets outside the United Kingdom. Therefore, our financial results are affected by fluctuations between the relative value of pound sterling and other functional currencies, particularly the U.S. dollar and Euro. For example, in the year ended 31 December 2019, we incurred a net exchange loss on foreign currency translation, net of tax, of £579 million in our statement of comprehensive income. The pound sterling value of our revenues, profits and cash flows from non-UK markets may be reduced or our supply costs, as measured in pound sterling in those markets, may increase. Additionally, a number of our competitors are based in countries whose currencies fluctuate against the pound sterling, and they may benefit from having their costs incurred in weaker currencies relative to pound sterling.

Although the pound sterling exchange rate has generally stabilised following a sharp depreciation following the EU Referendum, its movements continue to be influenced by political as well as economic factors, and there can be no assurance that the pound sterling will not experience further significant volatility against other major currencies.

The primary impact of fluctuations in exchange rates for us is expected to be translational (i.e., the translation of foreign earnings and assets and liabilities into pound sterling for reporting purposes). An appreciation of the pound sterling against other currencies could result in a significant negative translational impact on our results of operations, as the contribution of our overseas operations, and the

value of overseas earnings and assets, when translated into pound sterling, would decline. We will continue to be exposed to transactional currency risk, which arises when commercial transactions or recognised assets or liabilities are denominated in a currency that is not the functional currency of the relevant Group subsidiary.

We plan to continue to hedge our exposure to currency transaction risk and to hedge our exposure to foreign currency cash flows through the use of foreign currency debt and forward foreign exchange contracts, thereby exposing us to the risks associated with such hedging activities. Hedging transactions are entered into based on assumptions that may prove to be incorrect, and hedging activities involve the risk of an imperfect correlation between the hedging instrument and the item being hedged, which could result in losses both on the hedged transaction and on the hedging instrument. Use of hedging activities may not prevent significant losses and could increase losses.

We are subject to the risk that countries in which we operate may impose or increase exchange controls or devalue their currency. We operate in a number of countries, particularly developing markets, which impose exchange controls, including, but not limited to: Argentina, Brazil, China, India, Russia, Egypt, Nigeria, South Africa and Venezuela. Such controls may restrict converting, or make it impossible to convert, local currency into other currencies, restrict our ability to repatriate earnings from a country, restrict borrowing on the international markets to fund operations in that country or limit our ability to import raw materials or finished products, any or all of which could materially adversely affect our business, liquidity and results of operations. In addition, developing markets may be subject to currency devaluations, which tend to make our products more expensive in local currency terms. These restrictions could affect our ability to increase prices to offset the impact of local currency devaluation as well as our ability to manage foreign exchange risk.

Furthermore, volatility in currency rates and inflation in certain markets in which we have a presence could impact our results, potentially or actually requiring us to apply hyperinflation accounting in those markets.

As a result, adverse movements in currency exchange rates, if not effectively managed by us, could adversely affect our reported results of operations and financial condition.

We are exposed to a variety of financial risks that include the effects of changes in market prices, interest rates, credit risks and liquidity.

Our level of indebtedness could cause us to dedicate additional resources from operations to service our debt, in particular, if market conditions deteriorate. In addition, an inability to restructure or refinance all or a substantial amount of such debt obligations when they become due, on commercially reasonable terms or at all, could have a material adverse effect on us. For example, we may be required to incur additional costs on our existing debt or incur new debt at higher rates. We will also be required to comply with any restrictive terms of our debt, including the financial covenant under the financing incurred to finance the acquisition of Mead Johnson in 2017, any restrictive covenants in our pre-existing debt facilities and any restrictive covenants in facilities that we incur to refinance the foregoing debt. These restrictions could affect our ability to plan for, or react to, changes in our business and the markets in which we will operate, which could place us at a competitive disadvantage compared to those competitors that have less debt.

Our business may be adversely affected by our funding requirements. Our liquidity needs are driven by our ability to generate cash from operations and the level of borrowings (and related levels of headroom), the level of acquisition, the level of share repurchases and dividends, dispositions, target ratings for our debt and options available to us in the equity and debt markets. We have historically obtained the majority of our short term funding from the commercial paper markets, which have historically benefitted from good liquidity and a low cost of funding relative to other sources. Due to

lack of liquidity in the market for short-term commercial paper as a result of COVID-19 related disruptions, post year end and as at the date of this Offering Memorandum, the Group had drawn down £750 million under its committed borrowing facilities. As of the date of this Offering Memorandum, committed facilities total £5,500 million, of which £4,750 million remains undrawn. If we are not able to access the commercial paper market to the extent that we require, or at all, we may need to drawdown amounts under our committed bilateral credit facilities, which accrue interest at floating rates based on changes in certain published rates such as the London Interbank Offered Rate ("**LIBOR**") and the Euro Interbank Offered Rate ("**EURIBOR**"). Increases in such rates could result in significantly higher interest expense, which would negatively affect our results of operations.

An impairment of goodwill or other intangible assets would adversely affect our financial condition and results of operations.

In connection with our previous acquisitions, we have recorded goodwill and identifiable intangible assets. In accordance with IFRS, we will assess goodwill and indefinite-lived intangible assets for impairment on at least an annual basis or more frequently if indicators of impairment arise. The recoverable amounts of the relevant cash generating units are determined based on value in use calculations, using discounted cash flow projections prepared by management, covering a five-year period, with cash flows beyond five years being extrapolated using estimated long- term growth rates and applying pre-tax discount rates. Following the Group's 2019 impairment review, the value of the Mead Johnson business' net assets was impaired by £5,037 million. The book value of the IFCN net assets prior to the impairment was £14,927 million. For additional information, see "*Operating and Financial Review—Adjusting items*". Future impairments may be influenced by a number of factors, including changes in the expected performance of the relevant cash generating units or changes in assumptions about pre-tax discount rates. We may experience future events over which we have little or no control that result in impairments. A material impairment of the value of our goodwill and intangible assets could have a material adverse effect on our reported results of operations and financial condition.

2 Risks related to the Notes.

The Issuers and the Guarantor (including Reckitt Benckiser Treasury Services plc in its capacity as guarantor of the Euro Notes under the Deed Poll) are dependent on funds from RB Group subsidiaries to meet their respective obligations with respect to the Notes and the Guarantees, and the claims of creditors of subsidiaries of the Guarantor may be structurally senior to claims on the Notes and the Guarantees.

The Issuers (including Reckitt Benckiser Treasury Services plc in its capacity as guarantor of the Euro Notes under the Deed Poll) are finance vehicles, the primary business of which is the raising of money for the purpose of on-lending to other members of the RB Group. Accordingly, substantially all of the assets of the Issuers are loans and advances made to other members of the RB Group. The ability of the Issuers to satisfy their respective obligations in respect of the Notes depends upon payments being made to them by other members of the RB Group in respect of loans and advances made by the Issuers. The Guarantor is a holding company for the RB Group and also relies upon distributions from its subsidiaries to generate funds necessary to meet its obligations, including any payments under the Guarantees. These operating subsidiaries have not guaranteed the Notes, and have no obligation, contingent or otherwise, to pay amounts due under the Notes or the Guarantees or to make funds available for these payments, whether in the form of loans, dividends or otherwise. The ability of the operating subsidiaries to make dividend or other payments to the Issuers or the Guarantor will depend on their cash flows and earnings which, in turn, will be affected by all of the factors discussed herein. In addition, under the corporate

laws of many jurisdictions, including the United Kingdom, the ability of some subsidiaries to pay dividends is limited to the amount of distributable reserves of such companies.

The Notes and the Guarantees (including the Euro Notes Intercompany Guarantee) will not be secured by any of the Issuers' or the Guarantor's assets or those of its subsidiaries. The obligations of the Issuers under the Notes are unsecured and rank equally in right of payment with all unsecured, unsubordinated obligations of the Issuers. The obligations of the Guarantor under the Guarantees (including the Euro Notes Intercompany Guarantee) are unsecured and rank equally with all unsecured, unsubordinated obligations of the Guarantor (or Reckitt Benckiser Treasury Services plc, as the case may be). As a result, the Notes and the Guarantees (including the Euro Notes Intercompany Guarantee) are effectively subordinated to any secured debt that the Issuers or the Guarantor may incur. In any liquidation, dissolution, bankruptcy or other similar proceeding, the holders of the Issuers' or the Guarantor's secured debt may assert rights against the secured assets in order to receive full payment of their debt before the assets may be used to pay the holders of the Notes.

Holders of any series of the Notes will have a direct claim based on such series of the Notes against the Issuers and based on the Guarantees against the Guarantor (including Reckitt Benckiser Treasury Services plc with respect to the Euro Notes Intercompany Guarantee), but will not have a direct claim based on any series of the Notes or the Guarantees against any of our operating subsidiaries. The right of the Holders of any series of the Notes to receive payments under the Notes, the Guarantees and the Euro Notes Intercompany Guarantee, may be structurally subordinated to liabilities of our operating subsidiaries. These liabilities may include secured and unsecured debt that some of our subsidiaries have incurred. In the event of a bankruptcy, liquidation, reorganisation or similar proceeding relating to a subsidiary, the right of Holders of any series of the Notes to participate in a distribution of the assets of such subsidiary will generally rank behind such subsidiary's creditors (including trade creditors) and preferred stockholders (if any), except to the extent that the Issuers or the Guarantor (including Reckitt Benckiser Treasury Services plc with respect to the Euro Notes Intercompany Guarantee) have direct claims against such subsidiary.

There is no assurance to holders of any series of the Notes that there will be sufficient assets to pay amounts due on the Notes, the Guarantees or the Euro Notes Intercompany Guarantee.

We may incur substantially more debt in the future.

We may incur substantial additional indebtedness in the future, including in connection with future acquisitions, some of which may be secured by some or all of our assets. The terms of the Notes will not limit the amount of indebtedness we may incur. Any such incurrence of additional indebtedness could exacerbate the related risks that we now face.

There may not be active trading markets for any series of the Notes, in which case your ability to sell the Notes may be limited.

Each series of the Notes comprise a new issue of securities for which there is currently no established trading market.

We cannot assure you as to the liquidity of any market in any series of the Notes; your ability to sell your Notes; or the prices at which you would be able to sell your Notes.

Future trading prices for any series of the Notes will depend on many factors, including, amongst other things, prevailing interest rates, currency exchange rates, economic and market conditions, our operating results and the market for similar securities. The liquidity of a trading market for any series of the Notes may be adversely affected by a general decline in the market for similar securities and is subject to disruptions that may cause volatility in prices. The trading market for any series of the Notes

may attract different investors and this may affect the extent to which the Notes may trade. It is possible that the market for any series of the Notes will be subject to disruptions. Any such disruption may have a negative effect on holders of any series of the Notes, regardless of our prospects and financial performance. As a result, there is no assurance that there will be an active trading market for any series of the Notes. If no active trading market develops, you may not be able to resell your holding of the Notes at a fair value, if at all.

Although an application has been made for the Notes to be listed for trading on the Market, the Issuers cannot assure you that the Notes will become or remain listed. Although no assurance is made as to the liquidity of the Notes as a result of the admission to trading on the Market, failure to be approved for listing or the delisting of the Notes, as applicable, from the London Stock Exchange may have a material effect on a holder's ability to resell the Notes, as applicable, in the secondary market.

Ratings for the Notes may not reflect all risks of an investment in the Notes.

The Notes will be rated by S&P and Moody's. Any rating is not a recommendation to purchase, sell or hold any particular security, including the Notes, and each agency's rating should be evaluated independently of any other agency's rating. These ratings are limited in scope and do not comment as to market price or suitability for a particular investor. The ratings for the Notes may not reflect the potential impact of all risks related to structure and other factors on any trading market for, or trading value of, the Notes. In addition, ratings may at any time be lowered or withdrawn in their entirety, including as a result of developments that are beyond our control. Actual or anticipated changes or downgrades in the ratings for the Notes could affect the market value of the Notes.

We may redeem any series of the Notes for certain tax reasons.

We may redeem any series of the Notes at any time in whole (but not in part) upon the occurrence of certain tax events, as more particularly described under "*Description of Euro Notes—Redemption*" and "*Description of Pound Sterling Notes—Redemption*", as applicable. Certain of such events may occur at any time after the Issue Date and it is therefore possible that we would be able to redeem any series of the Notes at any time after the Issue Date.

If we redeem any series of the Notes in any of the circumstances mentioned above, you may not be able to reinvest the redemption proceeds in securities offering a comparable yield.

Changes to our credit ratings may affect the market value of the Notes.

Our credit ratings reflect an assessment by rating agencies of our ability to pay our debts when they fall due. Consequently, any changes in our credit ratings, whether real or anticipated, including any announcement that our ratings are under further review for a downgrade, are likely to affect the market value of the Notes.

The transfer of the Notes is restricted, which may adversely affect their liquidity and the price at which they may be sold.

The Notes have not been registered under, and the Issuers are not obliged to register the Notes under, the Securities Act or the securities laws of any state or other jurisdiction of the United States and, unless so registered, the Notes may not be offered or sold except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and any other applicable laws. See "*Important Information"* and *"Notice to Investors in the United States*." The Issuers have not agreed to, or otherwise undertaken to, register the Notes under the Securities Act or the securities laws of any state or other jurisdiction of the United States or to effect any exchange offer for the Notes in the future, and the Issuers have no intention to do so. The Notes may only be transferred to purchasers

outside the United States in offshore transactions to non-U.S. persons pursuant to Regulation S or to qualified institutional buyers within the United States pursuant to Rule 144A. You should read the discussion under the heading "*Transfer Restrictions*" for further information about the transfer restrictions that apply to the Notes. It is your obligation to ensure that your offers and sales of the Notes within the United States and other countries comply with all applicable securities laws.

Enforcement of U.S. judgments relating to the Notes may be difficult.

Although the Notes will be governed by the laws of the State of New York, Reckitt Benckiser Treasury Services plc and the Guarantor are each organised under the laws of England and Wales and Reckitt Benckiser Treasury Services (Nederland) B.V. is organised under the laws of the Netherlands. Most of the Issuers' and the Guarantor's directors and executive officers reside outside the United States. Substantially all of the assets of these persons and assets of the Issuers, and most of the assets of the Guarantor are located outside the United States. As a result, it may not be possible for investors to effect service of process within the United States upon the Issuers' and the Guarantor's directors and executive officers, or to enforce against any of them judgments obtained in U.S. courts predicated upon the civil liability provisions of the federal securities laws of the United States. See "*Service of Process and Enforceability of Judgments*."

Investors in the Notes must rely on Euroclear and Clearstream, Luxembourg procedures.

The 2026 Euro Notes and the 2030 Euro Notes will be represented on issue by the 2026 Euro Global Notes and the 2030 Euro Global Notes, respectively, which will be deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee of the common safekeeper.

The Pound Sterling Notes will be represented on issue by the Pound Sterling Global Notes that will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg.

Except in the circumstances described in the Euro Global Notes and the Pound Sterling Global Notes, investors will not be entitled to receive Euro Global Notes or Pound Sterling Global Notes in definitive form. Euroclear and Clearstream, Luxembourg and their direct and indirect participants will maintain records of beneficial interests in the Euro Global Notes and the Pound Sterling Global Notes.

While the Notes of each series are represented by the relevant Euro Global Notes or the Pound Sterling Global Notes, investors will be able to trade their beneficial interest only through Euroclear and Clearstream, Luxembourg and their participants.

While the Notes are represented by the Global Notes, the Issuers will discharge their payment obligations under the Notes by making payments through the relevant clearing systems. A holder of a beneficial interest in a Global Note must rely on the procedures of the relevant clearing system and its participants to receive payments under the Notes. The Issuers have no responsibility or liability for the records relating to, or payments made in respect of, beneficial interests in any Global Note.

Holders of beneficial interests in a Global Note will not have a direct right to vote in respect of the Notes of the relevant series. Instead, such holders will be permitted to act only to the extent that they are enabled by the relevant clearing system and its participants to appoint appropriate proxies.

USE OF PROCEEDS

We expect that the net proceeds to us from the sale of the Notes offered hereby will be approximately £1,974 million after deducting fees incurred in raising debt finance. We expect to use the net proceeds of the issuance of the Notes for general corporate purposes.

CAPITALISATION

The following table sets out our consolidated cash and capitalisation as of 31 December 2019, derived from our 2019 Financial Statements included elsewhere in this Offering Memorandum.

The following table should be read in conjunction with our 2019 Financial Statements included or incorporated by reference in this Offering Memorandum and the information under "*Presentation of Financial and other Information*" and "*Operating and Financial Review*." For more information on our borrowings and redemptions post 31 December 2019, please see "*Operating and Financial Review—Liquidity and capital resources*".

As of the date of this Offering Memorandum, there have been no material changes to our total capitalisation since 31 December 2019.

	As of 31 December 2019
	(*£ millions*)
Cash and cash equivalents	1,549
Borrowings	
Current	
Bank loans[(1)] and overdrafts	16
Commercial paper[(2)]	2,993
Senior notes	569
Lease liabilities	72
Total current borrowings	3,650
Non-current	
Bonds	6,201
Senior notes	1,265
Term loans	826
Lease liabilities	253
Total non-current borrowings	8,545
Total borrowings	12,195
Equity	
Share capital	74
Share premium	245
Merger reserve	(14,229)
Hedging reserve	(2)
Foreign currency translation reserve	(78)
Retained earnings	23,353
Equity attributable to owners of the parent company	9,363
Total capitalisation[(3)]	23,107

Notes:

(1) Bank loans are denominated in a number of currencies and all are unsecured and bear interest based on the relevant LIBOR equivalent.

(2) Commercial paper was issued in U.S. dollars and Euros, is unsecured and bears interest based on the relevant LIBOR equivalent.

(3) Excluding non-controlling interests.

OUR BUSINESS

Overview

We are a world leading hygiene, health and nutrition company. We are driven by our purpose to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world.

The RB Group

Reckitt Benckiser Group plc is listed on the London Stock Exchange under the symbol "RB", and is in the top 15 of the FTSE 100 by market capitalisation as of the date of this Offering Memorandum.

As of and for the year ended 31 December 2019, the Group reported:

- net revenue of £12,846 million (compared to £12,597 million in 2018);
- net loss of £3,670 million (compared to net income of £2,179 million in 2018);
- total assets of £32,139 million (compared to £37,954 million as of 31 December 2018); and
- total equity of £9,407 million (compared to £14,771 million as of 31 December 2018).

Our Products

Our brands fall into three categories, Hygiene, Health and Nutrition, as follows:

- Our **Hygiene** portfolio consists of products that focus on providing innovative solutions to households to eliminate dirt, germs, pests and odours that impact health and happiness, including disinfectant cleaners, all-purpose cleaners, lavatory cleaners, detergents for automatic dishwashing and pest control products, as well as air care products, garment care products, fabric treatment products and water softeners. Starting in 2020, our Hygiene Home business unit is referred to simply as Hygiene.
- Our **Health** portfolio consists of products that provide pain relief, protection and hygiene, including OTC medications for everyday issues such as pain, sore throat, cough and flu, and also wellness products in sexual wellbeing and footcare.
- Our **Nutrition** portfolio is focused on bringing innovative solutions to nourish the body at all stages of life, and includes the MJN infant and children's nutrition business. Starting in July 2020, Nutrition will operate as a separate global business unit.

For the year ended 31 December 2019, our brands were organised into two categories, Hygiene Home and Health. Starting in 2020, Hygiene Home is known simply as Hygiene. Hygiene products accounted for 39 per cent. of our net revenues in 2019. Health and Nutrition products accounted for 61 per cent. of our net revenues in 2019.

Key Hygiene Brands

Key Health and Nutrition Brands

Our markets

From 1 July 2020, our hygiene, health and nutrition brands will be organised under three category-focused GBUs, Hygiene, Health and Nutrition. Within each GBU, we intend to develop capability centres of excellence that can be leveraged across the Group. We believe that this will help provide additional strategic focus on the initiatives necessary to improve customer service, revenue growth and profit performance.

China is a strategically important market for RB. We are therefore elevating China to an integrated unit that will work across the three GBUs and report directly to the CEO. In addition, a new integrated organisation will be created to scale our e-commerce and digital capabilities across the three GBUs, including responsibility for digitally-native or 'rocket' brands.

Our Competitive Strengths

We believe that we have significant competitive strengths that position us well to deliver strong cash generation and long-term earnings growth. These competitive strengths include the following:

Portfolio of household brands with market leading positions

We benefit from strong market positions (based on market share) for many brands in our portfolio and have leading positions in selected health, hygiene and nutrition product categories. These positions derive from the strength of our brands, which are our flagship brands and on which we focus the majority of our efforts and investment. RB's strong brand portfolio occupies the number 1 or number 2 market position in targeted segments in most of our categories. Our brands are anchored in a purpose to protect, heal and nurture in the relentless pursuit of a clean and healthy world, and we are committed to working through our brands to effect social purpose.

Track record of innovation

We believe that we deliver innovative products that meet consumer needs, which is a cornerstone of our success. We invest significantly in bringing new ideas to consumers. Examples of our innovations in recent years include the following:

- ***Neuriva*** – In April 2019, RB launched Neuriva, a scientifically proven supplement that boosts brain function. In addition, with Neuriva, we are combining a pill with a digital service, partnering with a specialist brain health software company CogniFit to build a complementary smartphone app with its own clinical benefit.

- ***VEO*** – VEO's formula goes beyond surface cleaning. Bio-based surfactants and active-probiotics remove dirt and grime at the microscopic level whilst VEO also contains active probiotics that preserve the home microbiome. VEO's formula is 99 per cent. biodegradable, free from chlorine bleach, formaldehyde, phosphates and quats. The sustainable bottle features a removable label and uses 95 per cent. post-consumer recycled plastic to aid recycling.

Diversity across geography and product category

We conduct our operations in more than 60 countries, and we believe our products are sold in over 190 countries worldwide. The geographic spread of our operations and the reach of our products reduce our exposure to any single country or region. In terms of product categories, our 2019 net revenue was derived 61 per cent. from Health and Nutrition products and 39 per cent. from Hygiene products.

Track record for cost containment and cash conversion

By emphasising working capital management, we are able to convert a high proportion of adjusted operating profit into cash. Further, our tight control over net capital expenditure (purchases less disposals of property, plant and equipment and intangible assets) means that we are able to convert a high proportion of our net cash generated from operating activities into free cash flow (i.e., net cash generated from continuing operating activities less net capital expenditure) with the conversion rate as a percentage of continuing adjusted net income in 2019 being 86.7 per cent. (2018: 87.2 per cent.). (See "*Operating and Financial Review—Additional Financial Information——Free Cash Flow*")

Experienced and incentivised management team

Our management team has extensive experience in the FMCG and pharmaceutical sectors.

Our Chief Executive Officer, Laxman Narasimhan, joined RB as CEO-designate in July 2019 and was appointed as CEO on 1 September 2019. Prior to joining RB, Laxman held various senior roles at PepsiCo, Inc from 2012 to 2019, including Global Chief Commercial Officer, Chief Executive Officer of Latin America, Europe and Sub-Saharan Africa operations, where he ran the Company's food and beverage businesses across the regions and Chief Executive Officer of Latin America. Prior to PepsiCo, Laxman served as a Director of McKinsey & Company.

Jeff Carr joined RB as Chief Financial Officer on 9 April 2020. Prior to joining RB, Jeff was Chief Financial Officer and Management Board member at Ahold Delhaize, the Dutch retailer operating across Europe and the United States. Before joining Ahold Delhaize, Jeff held the role of Chief Financial Officer at First Group plc and easyJet plc and held senior finance roles at Associated British Foods and RB.

RB has long recognised that increasing diversity is not just a moral but a business imperative. More diverse backgrounds bring differing perspectives. That creates a richer, more informed culture and better decision-making, which is good for business. As a global company, with over 42,000 people, we can draw on an international pool of talent and experience. This cultural diversity enriches our perspective and informs our approach. We train and develop our management pipeline through formal training programs focusing on leadership skills, functional skills and general skills, and through a deliberate policy of training on the job. We also believe strongly in the benefits of gender diversity and, to that end, we initiated Project DARE in 2016, which aims to develop, attract, retain and engage talented women. We believe in leading by example and are working hard to improve the wider diversity of our leaders at RB. At the end of 2019, our Board consisted of four women and seven men, from four different nationalities in line with the recommendations of the Hampton-Alexander review. There is one Board member from an ethnic minority, in line with the recommendations of the Parker Review. Our Executive Committee, the most senior management level at RB, includes four different nationalities. And globally, our senior leadership community is made up of over 42 nationalities, representing a broad background of skills, cultures and experience.

In terms of executive remuneration, to reinforce a performance-led culture, we position aggregate elements of fixed pay of the Executive Directors at or below median market levels, while providing significant opportunities for performance-contingent variable reward. In addition, our performance-driven remuneration philosophy is underpinned by an ownership culture throughout the Group, which is reinforced by significant executive shareholding requirements. This focus on encouraging senior executives to think as an owner and act in the long term interests of shareholders is cascaded throughout RB. We believe that these features align the interests of our management team with shareholders and ensure that our management team has significant interest in the long-term sustainability of the business.

Our Strategy

Our strategy is founded on a clear sense of purpose. We aim to protect, heal and nurture in our pursuit of a cleaner, healthier world. We aim to ensure that access to high-quality hygiene, health and nutrition becomes a right, not a privilege. Ensuring product availability and offering attractive price points, promoting consumer education and behavioural change, and partnerships with other stakeholders are some of the ways we aim to make this happen.

Our strategy over the next few years includes a broadening of focus on growth drivers by increasing our ‘core’ CMUs, increasing investment in our businesses, including in supply-chain infrastructure, innovations, digital, and customer service, as well as an increased focus on our presence in certain markets, such as China, and improvement of our e-commerce capabilities.

As part of our new strategy, we intend to redouble our focus on environmental sustainability by, for example, reducing, recycling or reusing plastics, reducing our water footprint and meeting our science-based targets. At the same time, we intend to connect our brands even more closely with relevant social issues.

The categories in which RB is active, hygiene, health and nutrition, represent complementary demand spaces that share positive market dynamics and where consumers display strong brand preferences. We believe that our emphasis on innovation, together with close customer relationships and market presence, are key attributes that support an attractive earnings model.

Many of our markets benefit from global macro trends, including urbanisation and the growth of the middle classes. We offer consumers purpose-led products that we believe meet their needs and advance positive social impacts. We focus mainly on higher-margin, under-penetrated markets that provide a combination of attractive margins and volume growth.

Rejuvenating RB

On 27 February 2020 we set out our strategy for rejuvenating sustainable growth at RB. The objective is to rebuild a strong earnings model and outperform with the intention to target mid-single digit organic revenue growth, mid-20s margins and 7-9 per cent. earnings per share growth. This rejuvenation is to be funded by a temporary margin reduction and enhanced multi-year productivity programme. Taken together this is intended to allow us to invest around £2 billion in principally growth led initiatives, in three phases, that will initially establish consistent performance, then build revenue momentum and finally achieve sustained outperformance.

What makes RB distinctive is that the functionality of many of our brands authentically serve a large social cause, be it in hygiene, OTC health, sexual well-being or nutrition, and operate at the frontlines to give our consumers a better life. This ties into our purpose to protect, heal and nurture in our relentless pursuit of a cleaner and healthier world and our fight of making access to the highest quality hygiene, wellness and nourishment a right, not a privilege.

In order to maximise the opportunities arising and to focus management on creating sustainable momentum in the business, RB will align around its three spaces with category led business units: Hygiene, Health and Nutrition. To achieve this, from July 2020, the current Health business unit will be operated as two global business units: Health and Nutrition. Additionally, given the importance of the markets of China, Hong Kong and Taiwan ("**Greater China**"), we will elevate our focus on it and manage it as integrated business across our categories. We will also elevate our focus and investment on our global e-Commerce capability, which will be a substantial driver of our long-term growth and competitiveness. The name Hygiene Home has been simplified to Hygiene. At the same time, we will expand "where we play", investing in our teams to focus on 100 core CMUs (previously 75). The development of our digital and e-Commerce platforms will also enable the business to optimise returns from strong local brands and incubate new products, internally or externally, which can ride on open digital platforms, for example in China.

The unprecedented environment created by COVID-19 has impacted some of our early plans, and our focus first and foremost has been to overcome these immediate challenges and to keep our people safe. The first phase of our plan, starting this year, is about addressing competitive gaps, fixing foundations and launching the productivity program, with targeted capability investments. Operating in a 'stay at home' environment has an impact on some of these initiatives, particularly those involving physical activities (e.g. some of our supply chain transformation initiatives and global sales channel development). However, many of our initiatives can proceed despite the changed environment and where that is not possible, we are ensuring our preparations are well developed so that, as soon as practical, we can press ahead with our planned improvements.

Hygiene

Our Hygiene business is a solid performer amongst its peer group with steady revenue growth and strong margins. The focus going forward will be to capitalise on its strengths – leading, trusted brands and a strong science-base – to develop its market positions through increased penetration in existing markets and developing new markets where our products and brands are not yet present or are not well represented.

To achieve this, we intend to invest in broadening our focus on new growth markets by increasing our 'core' CMUs, with increased spending on people, marketing and product development. We intend to invest in digital and accelerate innovation through external partnerships, while ensuring purpose is at the heart of our brand strategies. At the same time, we intend to address the changing needs of consumers and customers for sustainable solutions around packaging, product performance and e-commerce.

Health and Nutrition

Restoring sustained strong performance to Health is a key priority. In the shorter term, the focus is on restoring stability and consistency to operational performance and improving our execution. In the longer term, we intend to accomplish this by building a more resilient business through innovation-led growth, investing in purpose-led brands and outperformance in e-channels.

We believe that the Health and Nutrition categories will benefit from certain strong global trends, including, the trend to urbanisation, constraints on the provision of state-funded healthcare, growing populations and the move to online commercial environments. We intend to invest behind our businesses to capitalise on these growth drivers, offering consumers relevant innovation, trusted products and availability, supported by education and information. This includes investment in supply-chain infrastructure, R&D and online capabilities, as well as developing partnerships and advocacy across the communities in which we operate.

Our fight

We are inspired by the fight of making access to the highest quality hygiene, wellness and nourishment a right, not a privilege. Access has multiple platforms: quality products that are available, with attractive price points, along with awareness and advocacy, are all part of how we make high quality accessible. Our brands will over-index on social with intentionality. But while doing so, we will redouble our focus through our brands on reducing, recycling or reusing plastics, reducing our water footprint and meet our science-based carbon reduction categories. We aim to respond to trends and underserved needs within growing consumer markets, helping to tackle important global issues and support the United Nations Sustainable Development Goals.

Our Compass

RB's strategy is driven by a strong sense of purpose. Our stakeholder relationships extend our ability to deliver on our purpose. Our purpose is encapsulated in a simple statement. We exist to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world. Every word here matters. 'Protect, heal and nurture' relate to our three major categories. 'Relentless pursuit' captures RB's entrepreneurial and can-do spirit. And it is all in service of 'a cleaner, healthier world'. And fuelling that relentless pursuit are critical insights from consumers, customers, colleagues and partners.

This purpose-led agenda is underpinned by the core set of values guiding our behaviour set out in our compass.

At its heart is the goal of always doing the right thing with clear principles around putting consumers and people first, seeking out new opportunities, striving for excellence and building a culture of shared success. We believe our compass will guide us to sustainable growth in the future.

Purpose-led Agenda

Our purpose is to protect, heal and nurture in the relentless pursuit of a cleaner and healthier world. Our purpose-led agenda represents a shift in business strategy. It is underpinned by the core set of values guiding our behaviour: put consumers and people first, continually seek out new opportunities, strive for excellence, and build shared success. These core values celebrate what made RB successful in the past and aligns us with what we believe is needed for sustainable growth in the future.

Our strategy is founded on a clear sense of purpose. It has six principal elements: *serving our consumers*, *connecting with our customers*, *empowering our people*, *forging links with our partners*, *investing in our communities* and *safeguarding the future*.

Serving our Consumers

RB's consumer-centric philosophy puts the people buying our brands at the heart of our thinking. We learn by listening closely to what they tell us. Their interests and priorities dictate our decision-making and drive innovation. With all our brands, we focus on the things that they say matter most and design products that make a positive contribution.

Connecting with our customers

Our key customers are retail experts. Their insights reflect consumer priorities and feed our innovation pipeline. We work with them to design and develop safe, effective products that consumers want to buy, and that advance broad social objectives. Our connections with customers cement alliances that support our products and align with our purpose.

Empowering our people

Highly-skilled people enable success and are in demand everywhere. We want to attract, develop and retain the very best. Engaged, inclusive teams spur growth and performance. We want ours to feel good about what they do and their company's place in the world. A cohesive, purposeful culture leads to better brand offerings for consumers and more value for shareholders and investors.

Forging links with our partners

Our hyperconnected world is redefining traditional boundaries. We aim to stay competitive by adapting and evolving our business model. As part of that we forge alliances and invest in partnerships. We link our brands and business to causes with a shared purpose and with multiple actors and influences. We join forces to share capabilities and advance common interests. Partnerships can inspire disruptive thinking, accelerate innovation and help develop solutions to complex global problems.

Investing in communities

As a purpose-led company, we want to do well by doing good. Our investments in communities focus on three areas, sexual health and rights, maternal and child health, and water and sanitation. They aim to have a lasting impact and change lives for the better. We deliver those programmes in partnership with organisations on the ground.

Safeguarding the future

The world faces urgent environmental challenges and we need to make rapid progress on multiple fronts. We all have a responsibility to confront these issues and make a difference where we can. We are determined to play our part. Our focus is on major themes that connect most directly with what we do, including plastics and packaging, water scarcity, climate change and deforestation. We consult widely and collaborate with partners to devise and deliver programmes that reduce and remove our adverse impacts and help safeguard the environment. As a responsible business, improving sustainability is integral to our purpose. It is in the long-term interests of every stakeholder.

History and Development

While our immediate history can be traced back to 1999, when we were formed by the merger of the UK-based Reckitt & Colman plc and the Netherlands-based Benckiser NV, our roots can be traced back to 1823, when Johann A. Benckiser founded Benckiser, whose core business focused on industrial chemicals. This was followed in the 1840s by an expansion into other household products; particularly starch, washing blue and black lead for polishing. In the meantime, the UK-based Reckitt & Sons began its expansion and opened businesses around the world, first in Australia, in the 1880s, and listed on the London Stock Exchange in 1888.

The 20th century witnessed a number of mergers and acquisitions and product launches for both companies.

- Major mergers and acquisitions included: Reckitt & Sons' joint venture in South America with J&J Colman to form Atlantis Ltd. (1913); the joint venture with the Mason brothers to form Chiswick Polish Company (1913), which later merged with Reckitt & Colman Ltd (1954); the purchase of Harpic Lavatory Cleaners (1932); the merger between Reckitt & Sons and J&J Colman to form Reckitt & Colman Ltd. (1938); Benckiser's expansion into consumer goods via acquisitions and disposals (1982) and acquisition of St. Marc S.A, France (1985); Reckitt & Colman's purchase of Airwick products (1985); Reckitt & Colman's purchase of Boyle-Midway, an American household products group with brands such as Woolite, Easy- Off, Sani-Flush, Wizard and Old English, as well as its purchase of the worldwide branded business of Beecham Household Products in the United States and Canada (both in 1990); Reckitt & Colman's acquisition of Lehn & Fink Products, including Lysol, the household disinfectant brand in the United States (1994) and its sale of the Colman's food business (1995).

- In terms of products, 1932 marked a major breakthrough for Reckitt & Sons, with the decision to market a germicide, Dettol, endorsed by the medical profession. Other notable launches

during the 20th century included Finish (1953); Calgon water softener (1956); Calgonit Automatic Dishwashing Detergent (1964); Quanto Fabric Softener (1966); Gaviscon (1965); Vanish Stain Removal Bar (1972) and Nurofen (1983), which is the first OTC product to use ibuprofen and is the first new OTC analgesic since the 1950s.

Since the merger of Reckitt & Colman and Benckiser in 1999 to become Reckitt Benckiser, we have continued to expand our business through mergers and acquisitions and to improve our lines with the introduction of new products.

- In 2006, we completed the acquisition of Boots Healthcare International for £1,926 million, gaining a new platform for growth in the attractive OTC healthcare market.

- In 2008, we completed the acquisition of Adams Respiratory Therapeutics, Inc., allowing us to enter the U.S. OTC market with Mucinex – the number 1 cough remedy in the United States.

- In 2010, we completed the acquisition of SSL and added Durex and Scholl to our list of brands.

- In 2012, we completed the acquisition of nutritional supplement and vitamin company Schiff Nutrition.

- In 2014, we completed the acquisition of K-Y, a leader in intimate lubricants.

- In 2017, we completed the acquisition of Mead Johnson, which expanded our global geographic imprint and added the Enfa franchise of brands to our list of brands.

- In 2019, we completed the acquisition of UpSpring, an innovative pre- and post-natal health company.

Competitive landscape

The hygiene, health and nutrition industry is generally characterised by steady growth in demand, with some variation due to macro-economic factors, particularly in developed markets. Some developing markets exhibit more volatile demand in reaction to macro-economic factors. The principal drivers of market growth in all markets include the rate of household formation, growth in the level of disposable income and demand for new products that offer improved performance or greater convenience.

According to third-party consultants retained by the Group as part of the strategic review, in 2019, the size of the hygiene, health and nutrition markets was approximately £70 billion, £250 billion and £55 billion, respectively.

The industry is intensely competitive, with a comparatively small number of major multinational competitors accounting for a large proportion of total global supply. We compete with numerous, well-established, local, regional, national and international companies, some of which are very large and have significant resources with which to establish and defend their products, market shares and brands. Our principal competitors include fast-moving consumer goods companies like Clorox, Colgate-Palmolive, Henkel, Procter & Gamble, SC Johnson and Unilever, and pharmaceutical companies such as Bayer, GSK Novartis, Johnson & Johnson and Sanofi-Aventis, plus a number of strong local industry companies. According to third-party consultants retained by the Group as part of the strategic review, in 2019, the largest players accounted for approximately 50 per cent. of the hygiene market.

We compete in strongly branded segments by focusing on our leading positions in higher growth categories. We are typically the market leader or a close follower, a position obtained, we believe, through our ability to introduce new products (whether improved or newly developed), and supported

by a rising and substantial level of Brand Equity Investment ("**BEI**"). Competition in the industry often focuses on competing claims for product performance, rather than price or terms. For this reason, failure to introduce new products and gain acceptance may significantly impact our operating results. We also need to defend ourselves against challenges to our leadership positions in markets; this requires significant marketing expenditure and promotional activity.

Our products also compete with private label products sold by major retail companies. We do this by focusing on delivering innovative new products with real consumer benefits. Consistent BEI communicates the benefits of our brands directly to consumers.

In the infant and children's nutrition category, our main global competitors include Nestlé, Danone and Abbott. We have local and regional competitors as well, such as Feihe, a Chinese infant formula company. Other companies, including manufacturers of branded products, private label and store brand products, manufacture and sell one or more products with a similar purpose to those marketed by us. We believe sources of our competitive advantage in this product category include the unique nutrition science and innovation behind our products, clinical claims for efficacy and product quality, brand image and associated value, broad sales force and distribution capabilities and consumer satisfaction. Significant expenditures for product development, advertising, promotion and marketing, where permitted, are generally required to achieve acceptance of products among consumers and health care professionals and to support the trend in consumer preferences for premium products in key markets.

Research and Development

Innovation is a key driver for the business. Increasingly, we are focusing on longer term, purpose-led innovation that makes a difference to people's lives. We undertake R&D to support the development of new and improved products in all of our product categories and for increased manufacturing efficiencies.

As part of the new strategy, the R&D organisation has been split between dedicated innovation teams that focus on delivering innovation for key global brands and operational teams focused on local brands. Additionally, front-line resources have been deployed in-market to drive proximity to consumers and resources have been dedicated to deliver on e-commerce-focused innovations. Our external partnership capability has been strengthened through internal initiatives to drive greater co-creation of innovations.

In 2019, we opened our Centre for Scientific Excellence in Hull, England, a leading R&D facility for the healthcare portfolio. In China, we have established the Hygiene Home Innovation Hub to fast-track new innovation across key segments.

We invested £257 million in R&D in 2019, £230 million in 2018 and £187 million in 2017.

Suppliers

The major resources required by our business are an adequate supply of the raw and packaging materials consumed by our products and the necessary funds for developing new products and reinvestment in advertising and promoting those brands. We consider that our primary raw materials, such as bulk chemicals (including a number of petrochemicals), plastics, pulp and metal cans, are generally in adequate global supply.

We source our raw and packaging materials and finished goods from a wide variety of predominantly international chemical and packaging companies and co-packers. No single supplier accounts for more than 5 per cent. of cost of sales and the Group's global purchasing function seeks to balance the need for competitive pricing with continuity of supply.

Most product, component and raw material supply chains present a number of potential reputational risks relating to: labour standards; health, safety and environmental standards; raw material sourcing; and the social, ethical and environmental performance of third party manufacturers and other suppliers. Procurement, manufacturing and supply services have defined manufacturing and quality control processes to ensure products are safe and meet all regulatory and legal requirements. For more information on the risks relating to suppliers with regards to the COVID-19 pandemic, please see "*Risk Factors—Disruptions to the continuity of demand for and supply of our products caused by the actual or perceived effects of a disease outbreak, including the COVID-19 pandemic, or similar widespread public health concerns could negatively impact our business*".

Customers

Our key external relationships are broadly-based. Although these customers continue to become more concentrated in their chosen markets, we believe that our wide geographical spread and diversity of product lines provide a balance.

Production

As of 31 March 2020, RB had 54 manufacturing facilities worldwide. These facilities are spread across Asia, Europe, North America, Latin America, and Africa and the Middle East. In addition, RB contracts with third party manufacturers to manufacture and supply certain products. The following table sets forth details relating to our main manufacturing facilities:

Location	Products produced
Hull, Humberside, UK	Consumer health products in liquid or solid
Nottingham, UK[(1)]	Consumer health products in liquid or solid
Derby, Derbyshire, UK	Household cleaning products in aerosol and liquid
Nowy Dwor, Poland	Liquids, powders, gel capsules and tablets
Nijmegen, The Netherlands	Infant and child nutrition products
Chartres, France	Hygiene, healthcare and cosmetics products
Mira, Italy	Powders, liquids, tablets and gel caps
Zeeland, Michigan, USA	Infant and child nutrition products
Evansville, Indiana, USA	Infant and child nutrition products
St Peters, Missouri, USA	Household cleaners, wipes, liquids, gel caps and tablets
Belle Mead, New Jersey, USA	Aerosol and liquid household cleaners and air fresheners
Salt Lake City, USA[(2)]	OTC drugs, vitamins and health supplements
Sao Paulo, Brazil	Pest and air freshener aerosols, household cleaning liquids, powders, sanitary blocks, personal insect repellent
Tlalplan, Mexico	OTC tablets and liquids
Delicias, Mexico	Infant and child nutrition products
Uttaranchal, India	Personal care products, surface, toilet and fabric cleaner products
Singapore[(3)]	Infant and child nutrition products
Chonburi, Thailand	Infant and child nutrition products
Guangzhou, China[(3)]	Infant and child nutrition products
Shangma, China	Condoms
Bangpakong, Thailand	Condoms

Notes:

(1) Leasehold (150 year lease until 2157).

(2) Site is leased.

(3) The land on which this facility is built is subject to a long-term lease.

Sales and Marketing; Distribution

As of March 2020, we had sales and marketing operations in more than 60 countries and we believe our brands are sold in over 190 countries worldwide.

Our sales strategies vary by country based on our go-to-marketing strategy, scale of operations, the structure and complexity of the market, as well as country-specific regulatory requirements. In certain countries, we have direct relationships with trade customers while in other countries we use distributor channels to access trade customers. In each country in which we operate, we have marketing directors and brand managers who are responsible for the execution of our global product category roll-out strategy.

We believe that our marketing investment is among the highest in the industry, with our BEI in 2019 at 14.4 per cent. of net revenue.

In the infant and children nutrition products division, our regional marketing activities are conducted within a strategic framework focused on both parents and health care professionals in accordance with country-specific regulatory requirements. We maintain both a health care professional sales force and a retail sales organisation within the regions throughout the world where we sell these products. The sales volumes of infant and children nutrition product in the United States also depend on our continued participation in the USDA's WIC programme.

Regulatory Overview

The health, hygiene and home industry is heavily regulated by, among others, the European Union and individual country governments around the world. In the United States, federal authorities, including the U.S. Food and Drug Administration (the "**FDA**"), the Federal Trade Commission, the Consumer Product Safety Commission and the Environmental Protection Agency, regulate different aspects of our business, along with parallel authorities at the state and local level. Ingredients, manufacturing standards, labour standards, product safety, marketing and advertising claims are all subject to detailed and developing regulation.

We have a comprehensive set of policies and procedures designed to govern our business methods and practices and protect our reputation. These cover, among other things, a comprehensive Code of Conduct, an Environment Policy, the GMS and a Product Safety Policy, including compliance with regulatory and product quality requirements.

The infant and children's nutrition business is subject to extensive government regulation in a number of jurisdictions as well as policy and guidance affecting the sales and marketing of these products, as described below.

Rules and Regulations. In the United States, infant formula manufacturers are governed by the rules and regulations of the FDA and its Center for Food Safety and Applied Nutrition in connection with the Infant Formula Act of 1980. Outside of the United States, country-specific regulations define the requirements with which infant and children's formula must comply with regard to definition, composition, safety, quality, labeling and marketing as well as requirements for placing new formulas on the market. Many country-specific requirements are comparable to or will refer to regulations, guidelines and policies promulgated by the FDA, the European Commission, the Codex Alimentarius and/or the WHO. Global regulatory provisions that govern our ability to bring innovative formulas to market have become increasingly stringent with regard to requirements for scientific substantiation for innovation. Similarly, regulatory criteria with respect to safety and quality requirements have become increasingly stringent. It is our policy to comply with all applicable laws and regulations in each country in which we do business.

Policy and Guidance. The Codex Alimentarius (also referred to as the "Codex" or the "food code") is a collection of internationally recognised standards, codes of practice, guidelines and other recommendations related to foods. The Codex, managed jointly by the United Nations Food and Agriculture Organization and the WHO, has become the global reference point for consumers, food producers and processors, national food control agencies and the international food trade. The Codex includes several standards regarding formulas and foods for infants and young children. WHO policies and, in particular, the WHO's International Code of Marketing of Breastmilk Substitutes are relevant to infant formula manufacturers, particularly when this code is incorporated into country-specific regulatory requirements. Certain advocates and governmental and non-governmental organisations have advocated for heightened restrictions on the marketing, labelling and even the sale of some infant and children's nutrition products, as well as trademark restrictions, restrictions on interactions with healthcare providers and bans on claims for products covering children up to three years of age, including the non-binding "Guidance on Ending the Inappropriate Promotion of Foods for Infants and Young Children" that was published by the WHO in 2016. The WHO guidance is now under consideration for potential legislation in several countries where we market our infant and children's nutrition products (particularly in Mexico, the Philippines, Malaysia, Indonesia, Colombia, Ecuador and the Dominican Republic), and, in the international standard setting body Codex Alimentarius.

Employees

During 2019, the Group employed over 42,000 employees worldwide.

Approximately one-third of our full-time employees are subject to collective bargaining arrangements.

We recognise the importance to our success of the employment, empowerment and engagement of talented individuals and the development of high-performing teams and culture. We understand the importance of engaging with, and understanding the perspectives of, our workforce. A key focus for RB is championing a diverse workforce, clearly focused on gender balance. We have programmes in place to attract and develop talented women and support our people in areas such as work-life balance and international mobility. As we roll out our new strategy and compass, people and diversity will be at the forefront of RB. We will continue to strive towards our goal of placing more women in leadership positions and our focus on fostering a more inclusive culture at RB, ensuring our people have the freedom to be themselves.

We are committed to the principle of equal opportunity in employment that no applicant or employee should receive less favourable treatment on the grounds of nationality, age, gender, religion, race, ethnicity or disability. We recognise our responsibilities to disabled persons and endeavour to assist them to make their full contribution at work. Where employees become disabled, every practical effort is made to allow them to continue in their jobs or to provide retraining in suitable alternative work.

It is essential to the continued improvement in efficiency and productivity throughout our business that each employee understands our strategies, policies and procedures. Open and regular communication with employees at all levels is an essential part of the management process. A continuing programme of training and development reinforces our commitment to employee development. We hold regular departmental meetings where opinions of employees are sought on a variety of issues. We operate internal communications programmes that include the provision of a Group intranet and the publication of regular newsletters.

Our incentive schemes are aimed at reinforcing financial and economic factors affecting the performance of the business. Employees typically have three to five performance objectives that are directly linked to their job and their specific contribution to our overall performance. In addition, presentations, in person and by video, are given to employees on publication of our financial results.

The Company operates three all-employee share plans. Through these plans, the Board encourages employees to become shareholders and to participate in the Group's employee share ownership schemes. Savings-related share plans across 57 countries give employees the opportunity to acquire shares in the Company by means of regular savings. We currently have more than 55 per cent. of eligible employees participating in these plans.

Intellectual Property

We rely on our brand names and intellectual property. All of our major brand names are protected by nationally or internationally registered trademarks. We also maintain patents or other protection for our significant product formulations, designs and processing methods. Patent rights registered in respect of our IFCN business relate primarily to ingredients (and combinations thereof) that we use in our products. We aggressively monitor these protections and pursue any apparent infringements.

We register our intellectual property rights strategically. For example, trademarks are registered in all countries relevant to our actual or intended use of that trademark, whereas patents are registered selectively in accordance with various legal and business factors, including patent enforceability and key intended markets. In addition to patents, licences and trademark protections, we rely on a combination of security measures, confidentiality policies, contractual arrangements and trade secret laws to protect our un-registrable intellectual property rights.

We license intellectual property rights from third parties and are active in licensing in several areas of our operations, including R&D and new product development, marketing and manufacturing.

We are active in challenging third parties if they appear to be infringing intellectual property rights that are material to our business. In addition, we make careful checks while developing and before launching new products so that we have reasonable assurance that we will not infringe any third party intellectual property rights.

Corporate Responsibility, Sustainability, Ethics and Compliance

The Corporate Responsibility, Sustainability, Ethics and Compliance Committee is part of the Group's governance framework and supports the Board in fulfilling its oversight responsibilities in ensuring the integrity of the Group's corporate responsibility and sustainability, ethics and compliance strategies, policies, programmes and activities. In addition, the Audit Committee reviews and monitors, on an ongoing basis, the scope and effectiveness of internal financial, operational and compliance risk management processes.

Environmental matters

As a manufacturer of home, health and hygiene products, we store, and utilise, a variety of hazardous materials at each of our production and R&D locations, and each location also generates waste. Our facilities and operations are subject to various environmental, health and safety ("**EHS**") laws and regulations in each of the jurisdictions in which we operate. Each production and R&D site is required to comply with local legal requirements covering the storage, handling, use and, where appropriate, disposal of these materials and waste. Additionally, we have developed a number of mandatory internal standards covering hazardous materials management and waste management, which each of our production and R&D sites (as appropriate to their operations) is required to comply with. The sites are required to self- assess, and report, their current level of compliance against each of these Global Environmental Standards monthly using our online EHS reporting system.

Our Group Sustainability department collects monthly data on waste generation levels from our production and R&D sites through Enablon. This data is reported quarterly to our Global Supply

Leadership Team, and is included in our annual sustainability report, which is assured by ERM Certification and Verification Services.

Our Group Sustainability department also implements a programme of periodic legal and company standard EHS compliance reviews at our production facilities, warehouses and R&D facilities. The reviews are usually undertaken by specialist internal personnel from the Group Sustainability department operating independently of the site or by an external, locally based consultant, knowledgeable in EHS legislation (often accompanied by a member of the Group Sustainability department). As part of this process, each site's self-assessed compliance status against the requirements of selected Key Items, including against the global company-defined environmental standards, is also checked. These standards are developed based on current good practice and are subject to periodic review. They address subjects including waste management, energy management, water management, spillage control, and waste water. The frequency of site reviews is based on perceived risk and previous performance, with a frequency not greater than three years. The environmental management system for the Group, including operating sites, is also independently accredited to ISO 14001, and subject to corresponding audits to assess against that standard.

Health and Safety management

Accidents caused through a failure of our safety management systems could potentially lead to loss of life for one or more of our employees. As of 31 December 2019, 94 per cent. of our production facilities maintained an external certification to OHSAS 18001 for management of health and safety issues. This, together with safety performance, is detailed in our annual reporting and associated Sustainability Insights.

Climate Change

Around 2 per cent. of RB's carbon footprint is associated with emissions stemming mainly from our manufacturing sites (Scope 1 and Scope 2). Most of our operational emissions come from electricity use, making our commitment to buying only renewable electricity by 2030 all the more important. Other emissions from either upstream in our supply network or downstream to our consumers and the final disposal of products after their use, account for the remaining 98 per cent. Major causes of these indirect (Scope 3) emissions include the consumer use of our products, accompanied by the ingredients we use, packaging and logistics.

RB's emissions are calculated based on site data, captured within the Group's Enablon data management system. Where appropriate, data is converted using standard conversion factors. The data is reported annually within our annual reporting and associated Sustainability Insights. Our factories and operations are becoming more energy efficient and adopting renewable energy sources. We had made good progress in reducing our carbon footprint despite a slight slowdown in 2019, with lower production levels increasing energy intensity as compared to the previous year. Renewable energy purchases helped reduce our overall Scope 1 and 2 GHG emissions against our 2012 baseline (IFCN sites are excluded). As we review our position and targets beyond 2020, we recognise the need for stronger focus on these areas of environmental performance. Reducing our Scope 3 emissions is much more challenging. Innovative solutions, such as better product design and closer collaboration with intermediaries such as appliance manufacturers, can have some impact. We can also influence consumer behaviour when using our brands by encouraging the use of lower temperatures or less water where practical.

However, we recognise that change here can be much more difficult and requires collaboration with trading partners and the active engagement from consumers. In recent years, we have focused on strengthening product quality, safety and production efficiency. These have all helped to reduce energy use but this has also meant that transformative environmental initiatives were a less immediate priority.

We are currently reframing these plans and looking ahead to 2030 with new science-based targets for reducing global warming and tackling climate change. There will be a stronger focus on the IFCN sites, our largest users of energy and water. We will examine both the energy we use and how we use it at all our sites. It will also mean reviewing our products, their design, their ingredients, packaging and how they are used by consumers from a sustainability perspective.

Material Governmental and Legal Proceedings

As a global company, we are routinely subject to a wide variety of legal proceedings. These include proceedings relating to antitrust and trade regulation, intellectual property, product liability, marketing, advertising, foreign exchange controls, as well as labour and employment, environmental and tax matters.

Except as described below, there are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which we are aware), during the 12 months preceding the date of this Offering Memorandum which may have, or have had in the recent past, significant effects on the financial position or profitability of the Issuers and their subsidiaries taken as a whole, the Guarantor or the Group. For the year ended 31 December 2019, we allocated total legal provisions of £151 million, including exceptional legal provisions of £126 million in relation to certain historical regulatory matters in a number of markets, predominantly the HS issue in South Korea (see below) and the Indivior investigations (see below). During the year, a number of payments were made to claimants in respect of the HS issue in South Korea, and settlements of the DOJ investigation in connection with Indivior.

South Korea HS issue

The HS issue in South Korea was a tragic event. The Group continues to make both public and personal apologies to victims. In March 2001, we acquired Oxy, a South Korean company. Oxy RB manufactured and sold household products, including HS products which accounted for less than 0.5 per cent. of their sales. Oxy RB continued to sell the HS product in South Korea for the next ten years. By 2011, Oxy RB was one of about 13 suppliers of HS products in the South Korean market. We did not sell HS products in any other market. In 2011 the KCDC determined that HS products might be responsible for serious respiratory diseases, including fatalities. Oxy RB immediately began to withdraw its HS products.

Oxy RB was the subject of legal action from the government and sought to defend itself in the courts. It took the same approach in defending against civil claims which began to arise from individual victims. To date, the Korean Ministry of Environment ("**MOE**") and the KCDC have received and reviewed HS injury applications from HS claimants over four Rounds. The fourth Round remains open to new applicants. For lung injury, the South Korean government classifies HS claimants into five categories depending on the likelihood of causation between their lung injury and HS exposure. In particular, Category I and II HS claimants are defined by law as those being "almost certain" or having a "high possibility" of having been injured by HS products, with Category III claimants being considered to have only a "low possibility" of a connection between their lung injuries and HS exposure.

We took the position in April 2016 that this court-led process was taking too long and was not fair on victims. In July 2016, a compensation plan was established by Oxy RB to provide fair compensation to Oxy HS product users categorised by the South Korean government as Category I or Category II in Rounds 1 and 2 of the South Korean government's categorisation process (including those who have previously entered into settlement agreements with Oxy RB). The compensation plan was formulated after consultation with HS victims, and is guided by the four overarching values of respect, fairness, transparency and speed. Oxy RB has since launched compensation plans for Oxy HS product users categorised by the South Korean government as Category I or Category II in Rounds 3 and 4 of the

South Korean government's categorisation process. Compensation amounts under Oxy RB's compensation plans includes amounts to reflect mental distress/pain and suffering, lost income (past and future), past medical, certain legal and other expenses plus interest. The most serious cases (e.g. death or severe disability) have received compensation under the plan in the region of KRW 1 billion. Oxy RB has also committed to cover future medical costs and care needs incurred by those compensated under the compensation plans as a reasonably foreseeable consequence of their HS-related lung condition.

In 2014, Oxy RB announced the creation of the Humanitarian Fund of KRW 5 billion (£3 million) for HS-affected individuals, intended to be administered in co-operation with two governmental organisations in South Korea. In April 2016, Oxy RB announced its intention to add another KRW 5 billion (£3 million) to the Humanitarian Fund.

The HS Injury Relief Special Act ("**HS Special Law**") took effect on 9 August 2017 and, among other things, required the Korean government to establish and operate a Special Relief Fund for the benefit of certain HS injury applicants, funded through contributions by HS manufacturers and ingredient suppliers (the "**SRF**"). The HS Special Law contemplates an initial SRF amount of KRW 125 billion, towards which HS manufacturers were required to contribute a total of KRW 100 billion. The HS Special Law provides that the maximum size of the SRF will be KRW 200 billion. Oxy RB has contributed KRW 67.4 billion (approximately GBP 46 million) to the SRF.

We expect to incur a number of other non-recurring costs in relation to the HS issue, which may be material. However, the provision in the accounts for the year ended 31 December 2019 did not include a number of further costs/income relating to the HS issue that were either not able to be estimated or quantified or were considered not probable at the relevant time. There remains some uncertainty around the number of outstanding claimants from the ongoing final government classification round, as well as from potential other injuries which may be designated by the MOE and as a consequence of recent legislative changes in South Korea. In particular:

- *Round 4 lung injury*: The South Korean government opened its categorisation Round 4 to new applicants on 25 April 2016 for an indefinite period. It has received 5,453 applications to participate in Round 4 as at 20 February 2020 and continues to receive applications. Oxy RB has continued to make payments under its compensation plans during 2019 and has made provision for the Round 4 Oxy RB Category I and II claimants categorised to date. The number of additional victims in Round 4 cannot be reliably estimated at the current time as it is open for an indefinite period.

- *Asthma related injury*: A damage relief committee set up by the MOE announced a recognition standard for asthma caused by HS, based on the increased incidence of asthma in HS users. From 23 July 2018, HS users can apply for asthma-only categorisation as part of Round 4. It is not possible to estimate the total number of applicants across all rounds (including future asthma only claims in Round 4) and therefore the total number of potential victims with potential asthma injuries.

- *Toxic hepatitis*: On 26 July 2019, the South Korean government announced the recognition of toxic hepatitis as an HS injury. No data supporting the South Korean government's finding has been made available. The government plans to develop categorisation standards for HS-induced toxic hepatitis and start categorising existing HS applicants after the standards have been developed.

- *Child interstitial lung disease*: On 15 November 2019, the South Korean government announced the recognition of child interstitial lung disease as an HS injury. The South Korean government has not yet publicly made available the underlying data supporting its finding that

the disease can be caused by HS exposure. Although the South Korean government announced that it had established the criteria for categorising child interstitial lung disease victims, the criteria have not yet been publicly disclosed.

- *Other potential lung or non-lung-injuries:* Additional research is currently proceeding on other potential HS-related injuries, e.g. adult interstitial lung disease, pneumonia and bronchiectasis. Oxy RB is closely monitoring the status of such research.

- *Category III claimants*: On 18 September 2019, a South Korean appellate court overturned a lower court's decision and awarded damages of KRW 5 million (approximately £3,200) to an Oxy RB HS user who had been classified as a Category II claimant. The appellate court became the first to rule that Category III plaintiffs can be entitled to damages from HS manufacturers. Oxy RB disagrees with the court's ruling and has appealed to the Supreme Court. There are currently 327 Category III claimants classified by the South Korean government. We are currently unable to quantify the liability for Category III claimants, if any, at this juncture. Category IV claimants are also advocating that they should receive compensation.

- *Civil litigation:* There are a number of ongoing civil claims against Oxy RB in relation to the HS issue. It is possible that at least some of these will be successful. However, we expect that for the most meritorious cases, Oxy RB will have already accepted liability and compensated the claimant through its compensation plan.

- *Rights of recovery from other involved parties*: The Group continues to assess and, where appropriate, pursue rights which Oxy RB may have to recover sums from other involved parties.

- *Amendment to HS Special Law*: A bill to amend the HS Special Law was passed by the Korean National Assembly on 6 March 2020, mainly affecting the HS injury definition and legal presumption of causation, while also creating a unified fund to support both HS victims and SRF recipients, which may require further contributions from Oxy RB. We currently expect the amendment to take effect in late September 2020. As many of the amended terms are subject to court interpretation and much of the details are left to the lower regulations to be later enacted, the impact of these amendments will require further monitoring and analysis.

Indivior investigations

In July 2019, the Group reached agreements with the DOJ and the FTC to resolve the ongoing investigations into the sales and marketing of Suboxone Film by the Group's former prescription pharmaceuticals business, Indivior, a business that was wholly demerged from the Group in 2014.

Under the terms of the agreements, the Group agreed to pay $1.4 billion (£1.1 billion) to fully resolve all federal investigations into the Group in connection with the subject matter of the Indivior indictment and claims relating to state Medicaid programmes. The resolution will also protect the Group's participation in all U.S. government programmes. At the time of the settlement, we made a provision of $1.5 billion to cover that settlement and any remaining litigation exposures. However, in connection with the same matters, we are currently subject to ongoing investor class actions, and may be subject to further litigation, and we may incur additional liabilities, which may be material.

SELECTED HISTORICAL FINANCIAL INFORMATION

You should read the data below together with the information contained in the "Presentation of Financial and other Information," "Risk Factors," and "Operating and Financial Review," sections of this Offering Memorandum and our Financial Statements, which are incorporated by reference in this Offering Memorandum.

Group Financial Information

The selected financial information of the Group provided below has been extracted without material adjustment from the Financial Statements. For a discussion of the basis of the preparation of our consolidated financial information, see Note 1 to the Financial Statements incorporated by reference in this Offering Memorandum. These Financial Statements have been prepared in accordance with EU endorsed IFRS, IFRIC interpretations, and those parts of the Companies Act 2006 applicable to companies reporting under IFRS. The Financial Statements are also in compliance with IFRS as issued by the IASB. See "*Presentation of Financial and other Information*". Our historical financial information is not indicative of our future results.

The Group adopted IFRS 16 Leases on 1 January 2019 using the full retrospective approach. Consequently, 2018 comparative numbers reported in the 2019 Financial Statements were restated in accordance with IFRS requirements. For details on the impact of this restatement, see Note 31 to the 2019 Financial Statements incorporated by reference in this Offering Memorandum.

The 2017 Financial Information presented in this Offering Memorandum has been restated for IFRS 16 to the extent that it was disclosed in the 2019 Financial Statements. This includes the 2017 Group balance sheet. Where the information was not disclosed in the 2019 Financial Statements, for example the 2017 Group income statement, it is not directly comparable with the 2018 and 2019 Financial Information presented in this Offering Memorandum.

The Group adopted IFRS 15 Revenue from Contracts with Customers on 1 January 2018. The 2018 Financial Statements included restated 2017 comparative numbers which are reflected below.

Consolidated Income Statement

	For the year ended 31 December		
	2019	**2018 (restated)[1]**	**2017 (restated)[2]**
		(£ millions)	
CONTINUING OPERATIONS			
Net Revenue	**12,846**	**12,597**	**11,449**
Cost of sales	(5,068)	(4,962)	(4,626)
Gross profit	7,778	7,635	6,823
Net operating expenses	(4,616)	(4,577)	(4,086)
Impairment of goodwill and other intangible assets	(5,116)	—	—
Operating (Loss)/Profit	**(1,954)**	**3,058**	**2,737**
Adjusted Operating Profit	3,367	3,369	3,122
Adjusting items[3]	(5,321)	(311)	(385)
Operating (Loss)/Profit	**(1,954)**	**3,058**	**2,737**
Finance income	161	78	60
Finance expense	(314)	(416)	(298)
Net finance expense	**(153)**	**(338)**	**(238)**

	For the year ended 31 December		
	2019	2018 (restated)[1]	2017 (restated)[2]
		(£ millions)	
(Loss)/profit before income tax	(2,107)	2,720	2,499
Income tax (expense)/benefit	(665)	(536)	894
Net (loss)/income from continuing operations	**(2,772)**	**2,184**	**3,393**
Net (loss)/income from discontinued operations	**(898)**	**(5)**	**2,796**
Net (loss)/income	**(3,670)**	**2,179**	**6,189**
Attributable to non-controlling interests	13	20	17
Attributable to owners of the parent company	(3,683)	2,159	6,172
Net (loss)/income	**(3,670)**	**2,179**	**6,189**

Notes:

(1) Restated for the adoption of IFRS 16. For more detail, please see "—*Group Financial Information*".

(2) Restated for the adoption of IFRS 15. For more detail, please see "—*Group Financial Information*".

(3) In 2019, adjusting items included £5,321 million of expenses recorded in operating profit (2018: £311 million, 2017: £385 million) driven primarily by the impairment of IFCN goodwill of £5,037 million.

Consolidated Statement of Comprehensive Income

	For the year ended 31 December		
	2019	**2018 (restated)[1]**	**2017 (restated)[2]**
		(£ *millions*)	
Net (loss)/income	**(3,670)**	**2,179**	**6,189**
Other comprehensive (expense)/income			
Items that may be reclassified to the income statement in subsequent years			
Net exchange (losses)/gains on foreign currency translation, net of tax	(579)	67	(310)
Gains/(losses) on net investment hedges, net of tax	70	(44)	44
(Losses)/gains on cash flow hedges, net of tax	(9)	8	3
Reclassification of foreign currency translation reserves on disposal of foreign operations, net of tax	—	—	145
	(518)	31	(118)
Items that will not be reclassified to the income statement in subsequent years			
Remeasurements of defined benefit pension plans, net of tax	14	123	12
Revaluation of equity instruments – FVOCI	(13)	—	6
	1	123	18
Other comprehensive (expense)/income, net of tax	**(517)**	**154**	**(100)**
Total comprehensive (expense)/income	**(4,187)**	**2,333**	**6,089**
Attributable to non-controlling interests	12	20	15
Attributable to owners of the parent company	(4,199)	2,313	6,074
Total comprehensive (expense)/income	**(4,187)**	**2,333**	**6,089**
Total comprehensive (expense)/income attributable to owners of the parent company arising from:			
Continuing operations	(3,301)	2,318	3,133
Discontinued operations	(898)	(5)	2,941
	(4,199)	**2,313**	**6,074**

Notes:

(1) Restated for the adoption of IFRS 16. For more detail, please see "—*Group Financial Information*".

(2) Restated for the adoption of IFRS 15. For more detail, please see "—*Group Financial Information*".

Consolidated Balance Sheet

	As of 31 December		
	2019	2018 (restated)[1]	2017 (restated)[1]
		(£ millions)	
ASSETS			
Non-current assets			
Goodwill and other intangible assets	24,261	30,278	29,487
Property, plant and equipment	2,140	2,162	2,068
Equity instruments – FVOCI	58	53	41
Deferred tax assets	224	209	118
Retirement benefit surplus	268	191	90
Other non-current receivables	155	109	99
	27,106	33,002	31,903
Current assets			
Inventories	1,314	1,276	1,201
Trade and other receivables	2,079	2,097	2,004
Derivative financial instruments	30	38	18
Current tax recoverable	61	48	58
Cash and cash equivalents	1,549	1,483	2,125
	5,033	4,942	5,406
Assets classified as held for sale	—	10	18
	5,033	4,952	5,424
Total assets	**32,139**	**37,954**	**37,327**
LIABILITIES			
Current liabilities			
Short-term borrowings	(3,650)	(2,269)	(1,394)
Provisions for liabilities and charges	(178)	(537)	(517)
Trade and other payables	(4,820)	(4,811)	(4,629)
Derivative financial instruments	(138)	(42)	(19)
Current tax liabilities	(145)	(10)	(65)
	(8,931)	(7,669)	(6,624)
Non-current liabilities			
Long-term borrowings	(8,545)	(9,950)	(11,797)
Deferred tax liabilities	(3,513)	(3,619)	(3,443)
Retirement benefit obligations	(351)	(318)	(393)
Provisions for liabilities and charges	(56)	(74)	(81)
Derivative financial instruments	—	—	(12)
Non-current tax liabilities	(969)	(1,105)	(1,012)
Other non-current liabilities	(367)	(448)	(408)
	(13,801)	(15,514)	(17,146)
Total liabilities	**(22,732)**	**(23,183)**	**(23,770)**
Net assets	**9,407**	**14,771**	**13,557**

	As of 31 December		
	2019	2018 (restated)[1]	2017 (restated)[1]
		(£ millions)	
EQUITY			
Capital and reserves			
Share capital	74	74	74
Share premium	245	245	243
Merger reserve	(14,229)	(14,229)	(14,229)
Hedging reserve	(2)	7	(1)
Foreign currency translation reserve	(78)	430	407
Retained earnings	23,353	28,197	27,023
Attributable to owners of the parent company	9,363	14,724	13,517
Attributable to non-controlling interests	44	47	40
Total equity	**9,407**	**14,771**	**13,557**

Note:

(1) Restated for the adoption of IFRS 16. For more detail, please see "—*Group Financial Information*".

Consolidated Cash Flow Statement

	For the year ended 31 December		
	2019	2018 (restated)[1]	2017
		(£ millions)	
CASH FLOWS FROM OPERATING ACTIVITIES			
Cash generated from continuing operations	**3,408**	**3,400**	**3,153**
Interest paid	(371)	(396)	(226)
Interest received	161	75	59
Tax paid	(647)	(567)	(543)
Net cash flows attributable to discontinued operations	(1,140)	12	48
Net cash generated from operating activities	**1,411**	**2,524**	**2,491**
CASH FLOWS FROM INVESTING ACTIVITIES			
Purchase of property, plant and equipment	(306)	(342)	(286)
Purchase of intangible assets	(137)	(95)	(63)
Proceeds from the sale of property, plant and equipment	37	24	35
Acquisition of businesses, net of cash acquired	(18)	—	(11,817)
Purchase of equity instruments—FVOCI	(18)	(9)	—
Reduction in short-term investments	—	—	3
Net cash flows attributable to discontinued operations	—	—	3,232
Net cash used in investing activities	**(442)**	**(422)**	**(8,896)**
CASH FLOWS FROM FINANCING ACTIVITIES			
Treasury shares re-issued	61	105	94
Proceeds from borrowings	1,548	697	19,523
Repayment of borrowings	(1,122)	(2,314)	(10,723)
Dividends paid to owners of the parent company	(1,227)	(1,187)	(1,134)
Dividends paid to non-controlling interests	(15)	(13)	(11)
Other financing activities	(75)	24	(12)
Net cash (used in)/generated from financing activities	**(830)**	**(2,688)**	**7,737**
Net increase/(decrease) in cash and cash equivalents	**139**	**(586)**	**1,332**
Cash and cash equivalents at beginning of the year	1,477	2,117	873
Exchange losses	(69)	(54)	(88)
Cash and cash equivalents at end of the year	**1,547**	**1,477**	**2,117**
Cash and cash equivalents comprise:			
Cash and cash equivalents	1,549	1,483	2,125
Overdrafts	(2)	(6)	(8)
	1,547	**1,477**	**2,117**

Note:

(1) Restated for the adoption of IFRS 16. For more detail, please see "—*Group Financial Information*".

Additional Financial Information

Please see "*Presentation of Financial and Other Information—Non-IFRS financial information*" for more information.

Adjusted Operating Profit

	For the year ended 31 December		
	2019	**2018 (restated)[1]**	**2017 (restated)[2]**
		(£ millions)	
Operating (loss)/profit	(1,954)	3,058	2,737
Adjusting: exceptional items[3]	5,240	233	342
Adjusting: other items[3]	81	78	43
Adjusted operating profit	**3,367**	**3,369**	**3,122**
Adjusted operating margin[4]	26.2%	26.7%	27.3%

Notes:

(1) Restated for the adoption of IFRS 16. For more detail, please see "—*Group Financial Information*".

(2) Restated for the adoption of IFRS 15. For more detail, please see "—*Group Financial Information*".

(3) In 2019, adjusting items included £5,321 million of expenses recorded in operating profit (2018: £311 million, 2017: £385 million) driven primarily by the impairment of IFCN goodwill of £5,037 million.

(4) Adjusted operating margin is defined as adjusted operating profit divided by Net Revenue.

Adjusted Net Income

	For the year ended 31 December		
	2019	**2018 (restated)[1]**	**2017 (restated)[2]**
		(£ millions)	
Net (loss)/income from continuing operations	(2,772)	2,184	3,393
Less: Attributable to non-controlling interests	(13)	(20)	(17)
Continuing net (loss)/income for the year attributable to owners of the parent company	(2,785)	2,164	3,376
Adjusting: exceptional items[3], net of tax	5,195	183	(1,150)
Adjusting: other items[4], net of tax	63	61	27
Adjusted net income attributable to owners of the parent company	**2,473**	**2,408**	**2,253**

Notes:

(1) Restated for the adoption of IFRS 16. For more detail, please see "—*Group Financial Information*".

(2) Restated for the adoption of IFRS 15. For more detail, please see "—*Group Financial Information*".

(3) Exceptional items in 2019 includes the impairment of IFCN goodwill of £5,037 million. Included within the 2017 balance is an income tax credit of £1,421 million resulting from the United States tax reform.

(4) Other adjusting items primarily relate to the amortisation of certain intangible assets recognised as a result of the acquisition of Mead Johnson.

Free Cash Flow

	For the year ended 31 December		
	2019	2018 (restated)[1]	2017
		(£ millions)	
Cash generated from continuing operations	3,408	3,400	3,153
Net interest paid[2]	(210)	(321)	(167)
Tax paid	(647)	(567)	(543)
Purchase of property, plant and equipment	(306)	(342)	(286)
Purchase of intangible assets	(137)	(95)	(63)
Proceeds from the sale of property, plant and equipment	37	24	35
Free cash flow	**2,145**	**2,099**	**2,129**
Cash conversion[3]	86.7%	87.2%	94.5%

Notes:

(1) Restated for the adoption of IFRS 16. For more detail, please see "—*Group Financial Information*".

(2) Includes interest paid of £371 million (2018: £396 million, 2017: £226 million) and interest received of £161 million (2018: £75 million, 2017: £59 million).

(3) Cash conversion is defined as free cash flow divided by adjusted net income attributable to owners of the parent company.

Analysis of Net Debt

	As at 31 December		
	2019	2018 (restated)[1]	2017 (restated)[1]
		(£ millions)	
Total borrowings (excluding overdrafts)	11,866	11,872	12,853
Cash and cash equivalents (excluding overdrafts)	(1,547)	(1,477)	(2,117)
Derivative financial instruments (debt)	105	10	10
Lease Liabilities	325	341	330
Net debt at year end	**10,749**	**10,746**	**11,076**

Note:

(1) Restated for the adoption of IFRS 16. For more detail, please see "—*Group Financial Information*".

.

OPERATING AND FINANCIAL REVIEW

The following discussion summarises the significant factors and events affecting results of operations and the financial condition of the Group for the years ended 31 December 2019, 2018 and 2017, and should be read in conjunction with Financial Statements reported in accordance with IFRS and the other financial information incorporated by reference and contained elsewhere in this Offering Memorandum, including under "Presentation of Financial and other Information" and "Selected Historical Financial Information". In addition, the discussion below contains certain unaudited financial information relating to net revenue of the Group for Q1 2020 and Q1 2019.

The following discussion of the Group's results of operations and financial condition contains forward-looking statements that reflect the current view of the Group's management. The Group's actual results could differ materially from those anticipated in any forward-looking statements as a result of the factors discussed below and elsewhere in this Offering Memorandum, particularly under "Risk Factors". Investors should carefully consider the following information, together with the other information contained in this Offering Memorandum, before investing in the Notes.

Overview

We are a world leading hygiene, health and nutrition company. We are driven by our purpose to protect, heal and nurture in the relentless pursuit of a cleaner, healthier world.

Our Products

Our brands fall into three categories, Hygiene, Health and Nutrition, as follows:

- Our **Hygiene** portfolio consists of products that focus on providing innovative solutions to households to eliminate dirt, germs, pests and odours that impact health and happiness, including disinfectant cleaners, all-purpose cleaners, lavatory cleaners, detergents for automatic dishwashing and pest control products, as well as air care products, garment care products, fabric treatment products and water softeners. Starting in 2020, our Hygiene Home business unit is referred to simply as Hygiene.

- Our **Health** portfolio consists of products that provide pain relief, protection and hygiene, including OTC medications for everyday issues such as pain, sore throat, cough and flu, and also wellness products in sexual wellbeing and footcare.

- Our **Nutrition** portfolio is focused on bringing innovative solutions to nourish the body at all stages of life and includes the MJN infant and children's nutrition business. Starting in July 2020, Nutrition will operate as a separate global business unit.

For the year ended 31 December 2019, our brands were organised into two categories, Hygiene Home and Health. Starting in 2020, Hygiene Home is known simply as Hygiene. Hygiene products accounted for 39 per cent. of our net revenues in 2019. Health and Nutrition products accounted for 61 per cent. of our net revenues in 2019.

Principal Factors Affecting Results of Operations

As a leading manufacturer and marketer of a comprehensive range of branded health, hygiene and nutrition products that sell in most countries, our results are impacted by a variety of factors common to the fast-moving consumer goods ("**FMCG**") industry:

Macro conditions, both globally and in the key markets in which we operate

Our business and results of operations are affected by changes in both global economic conditions, and the individual markets in which we operate. The most significant changes, evident in 2019, have been in the China market. The prospects for market growth in China have lowered, as a sustained materially lower birth rate has become likely. In addition, the competitive dynamics have changed with evolving regulation and the progress of a number of local competitors. Such factors have been considered within our annual impairment review of IFCN goodwill and other intangible assets. As a result of this review, we have recognised an impairment of £5,037 million as a non-cash exceptional item in our 2019 income statement. See *"Selected Historical Financial Information"* for additional information. In 2018, our results were positively impacted by strong market growth in developing markets and were partly offset by a challenging pricing environment in Europe.

In addition, demand for our products and our brands can be affected by political instability, terrorist and other hostile activities, global health issues (including the recent COVID-19 pandemic as discussed further below), and natural catastrophes, which can impact economic conditions and consumer confidence, degrade infrastructure, disrupt supply chains and otherwise result in business interruption. Certain of these factors may impact a single market or a region directly, and may have further effects to the extent supply chains are disrupted. The foregoing could impact consumer confidence and customers' abilities to fund their operations, and also impact our liquidity, exacerbate fluctuations in foreign currency movements, increase commodity prices and increase transportation and energy costs. While we cannot control most of these events, our results will be impacted by our ability to respond appropriately to these events.

The COVID-19 pandemic

The spread of COVID-19 represents one of the most serious global health emergencies of the last 100 years, with the pandemic having spread worldwide as of the date of this Offering Memorandum. As a result of COVID-19, RB has and may continue to experience additional demand for certain products such as Dettol and Lysol and reduced demand for certain other products such as Scholl and Durex. As a result, we are seeking to increase the level of available supply. To date, our supply chains and distribution channels have proven resilient and flexible against the backdrop of the COVID-19 pandemic, though there has been some unavoidable disruption in many parts of the world. At the same time, as the situation develops, it is likely that we will experience increased levels of disruption, particularly in those countries and regions that are hardest hit. In the longer term, the economic consequences associated with COVID-19 are difficult to predict; however, they may lead to weakened demand for some RB products, despite any short-term increases. See "*Risk Factors—Disruptions to the continuity of demand for and supply of our products caused by the actual or perceived effects of a disease outbreak, including the COVID-19 pandemic, or similar widespread public health concerns could negatively impact our business*" for more information.

Success in executing our new strategy

At the start of 2020, we announced a new strategy that includes a broadening of focus on growth drivers by increasing our CMUs, increasing investment in our businesses, including in supply-chain infrastructure, innovations, digital, and customer service, as well as an increased focus on our presence in certain markets, such as China, and improvement of our e-commerce capabilities. Our strategy's emphasis on innovation, close customer relationships and market presence are part of a broader purpose-led agenda that represents a shift in business strategy.

We believe that our success and our results will, therefore, be impacted by our ability to execute our strategy and deliver innovation and the ability to maintain and expand our presence in higher-margin, under-penetrated markets that provide a combination of attractive margins and volume growth.

Health

We believe that the health and nutrition categories, which will operate as separate business units starting July 2020, are set to benefit from the strong global trends. In particular, we believe that the trend to urbanisation, constraints on the provision of state-funded healthcare, growing populations and the move to online commercial environments should benefit strong brands in our spaces. We intend to invest behind our businesses to capitalise on these growth drivers offering consumers relevant innovation, trusted products and availability, supported by education and information. This includes investment in supply chain infrastructure, R&D and online capabilities, as well as developing partnerships and advocacy across the communities in which we operate.

Hygiene

Our Hygiene strategy going forward will be to capitalise on our strengths – leading, trusted brands and a strong science-base – to develop market positions through increased penetration in existing markets and developing new markets where our products and brands are not yet present or well represented.

Seasonality

While demand for the majority of our products is not subject to significant seasonal fluctuations, some health and pest control products do exhibit seasonal fluctuations. Peak demand in the northern hemisphere markets offsets lower demand in the southern hemisphere markets and vice-versa. The intensity of, in particular, the flu season can vary from year to year, with a corresponding influence on our net revenue and profit. For example, in 2019 the performance of our Wellness, Vitamins, Minerals and Supplements ("**VMS**") brands were subdued due to seasonal factors at the beginning of the year. Furthermore, our Health OTC category experienced a weak first quarter of 2019 due to decreased incidences of cold and flu alongside some channel destocking in the U.S.

Exchange rates

We operate internationally and enter into transactions in many currencies and, as such, we are exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations. Additionally, items included in the financial statements of each of our entities are measured using the currency of the primary economic environment in which the entity operates (i.e., the functional currency). We present our consolidated financial statements in pound sterling.

Exchange differences arising from the translation of the net investment in foreign entities, and of borrowings and other currency instruments designated as hedges of such investments, are taken to equity on consolidation. As a result of the foregoing, movements in exchange rates relative to the pound sterling affect our actual reported results, and such effects can be significant.

We expect that our results of operations will continue to be affected by currency movements and such effects are inherently unpredictable. Our strategy is to minimise income statement volatility by monitoring foreign currency balances, external financing, and external hedging arrangements.

Key income statement items

Net revenue

Revenue from the sale of products is recognised as and when performance obligations are satisfied by transferring control of the product or service to the customer. Net revenue is defined as the amount invoiced to external customers during the year and comprises gross sales net of trade spend, customer allowances for credit notes, returns and consumer coupons. The methodology and assumptions used to

estimate credit notes, returns and consumer coupons are monitored and adjusted regularly in the light of contractual and legal obligations, historical trends, past experience and projected market conditions. Net revenue also includes royalty income arising from the licensed use of our brands recognised on an accruals basis. Value added tax and other sales taxes are excluded from net revenue.

Trade spend, which consists primarily of customer pricing allowances, placement/listing fees and promotional allowances, is governed by sales agreements with our trade customers (retailers and distributors). Trade spend also includes reimbursement arrangements under the Special Supplemental Nutrition Program for Woman, Infants and Children ("**WIC**"), payable to the respective U.S. state WIC agencies. Accruals are recognised under the terms of these agreements, to reflect the expected activity level and our historical experience. These accruals are reported within trade and other payables.

Cost of sales

Cost of sales consists of raw materials, packaging costs, merchandise costs, freight and production expenses.

Net operating expenses

Net operating expenses consist of distribution costs, administrative expenses and exceptional costs, net of other net operating income.

Distribution costs

Distribution costs consist primarily of distribution, selling and marketing expenses. Distribution expenses include payroll costs of the sales and marketing functions, selling expenses, advertising, warehouse costs for finished goods and transport costs for distribution of finished goods.

Administrative expenses

Administrative expenses consist of consumer health research and development, other research and development, and other expenses. Other expenses consist of support function costs.

Net finance expense

Net finance expense comprises finance income net of finance expenses. Finance income consists of interest income on our cash and cash equivalents. Finance expense consists of interest payable on borrowings, amortisation of issue costs of bank loans and other finance expenses. Finance income and expense are not allocated to our segments, as they are managed on a central basis.

Income tax expense

Income tax on the profit for the year comprises current and deferred tax. Income tax is recognised in the income statement except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted in each jurisdiction, or substantively enacted, at the balance sheet date, and any adjustment to tax payable in respect of previous years.

Deferred tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the Financial Statements. Deferred tax is not accounted for if it arises from the initial recognition of an asset or liability in a transaction

(other than a business combination) that affects neither accounting nor taxable profit or loss at that time. Deferred tax is determined using tax rates (and laws) that have been enacted or substantively enacted by the balance sheet date and are expected to apply when the deferred tax asset or liability is settled. Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax is provided on temporary differences arising on investments in subsidiaries except where the investor is able to control the timing of temporary differences and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets and liabilities within the same tax jurisdiction are offset where there is a legally enforceable right to offset current tax assets against current tax liabilities and where there is an intention to settle these balances on a net basis.

Exceptional items

Exceptional items are material, non-recurring expenses or income, which are relevant to an understanding of the underlying performance and trends of the business. Examples of such items are:

- restructuring and other expenses relating to the integration of an acquired business and related expenses for reconfiguration of our activities;
- impairments of current and non-current assets;
- gains/losses on disposal of businesses;
- acquisition-related costs, including advisor fees incurred for significant transactions, and adjustments to the fair values of assets and liabilities that result in non-recurring charges to the income statement;
- costs arising as a result of material and non-recurring regulatory and litigation matters; and
- the income statement impact of unwinding fair value adjustments for inventory recorded as the result of a business combination.

Certain Non-IFRS Measures

Our discussion of financial results includes certain non-IFRS financial measures. We believe these measures provide our investors with additional information about our underlying results and trends, as well as insight into some of the metrics used to evaluate management. These measures include:

Constant exchange rates

In addition to analysing our reported results giving effect to exchange rate movements, we also present comparisons of net revenue and adjusted operating profit on a constant exchange rate basis. Constant exchange rates adjust the actual consolidated results such that the foreign currency conversion applied is made using the same exchange rates as was applied in the prior year.

Like-for-like change

We use the term like-for-like growth on net revenue to describe the performance of our business by excluding the impact of changes in foreign currency exchange rates, acquisitions, disposals and discontinued operations. Like-for-like growth also excludes Venezuela. We believe this provides readers with a more complete understanding of underlying performance of the business and enables

comparison across periods on a consistent basis. Like-for-like growth is also one of the measures used to evaluate senior management and is a factor in determining their at-risk compensation.

Other non-IFRS measures

We also present certain adjusted measures that exclude the impact of the adjusting items, including adjusted net income, adjusted operating profit and adjusted operating margin, which we believe provides additional useful information on underlying trends. See "*Presentation of Financial and other Information*" for more information on these measures.

Q1 2020 trading update

Financial information set out in this section relates to net revenue of the Group for Q1 2020 and Q1 2019. This financial information is unaudited.

Net revenue by segment and geography

The following tables present our net revenue by segment for Q1 2020 and 2019, and net revenue growth in percentage terms on like-for-like basis and as reported for Q1 2020 compared to Q1 2019.

	Q1	
	2020	**2019**
	(£ millions)	
Health		
North America[(1)]	588	420
Europe/ANZ[(2)]	577	505
DvM[(3)]	1,024	1,010
Total Health	**2,189**	**1,935**
IFCN	746	758
Rest of Health[(4)]	1,443	1,177
Total Health	**2,189**	**1,935**
Hygiene		
North America[(1)]	455	376
Europe/ANZ[(2)]	581	535
DvM[(3)]	319	311
Total Hygiene	**1,355**	**1,222**
Group[(5)]	**3,544**	**3,157**

Notes:
(1) North America comprises the United States and Canada.
(2) Europe/ANZ comprises Europe, Russia/CIS, Turkey, Israel, Australia and New Zealand.
(3) DvM comprises all remaining countries in which the Group operates.
(4) Rest of Health comprises OTC and Other Health.
(5) Total of Hygiene Home, IFCN and Rest of Health.

	Q1 2020 vs Q1 2019		
	LFL[4]	**FX**	**Reported**
		(per cent.)	
Health			
North America[1]	37.4	2.6	40.0
Europe/ANZ[2]	15.7	(1.4)	14.3
DvM[3]	2.6	(1.2)	1.4
Total Health	**13.6**	**(0.5)**	**13.1**
Hygiene			
North America[1]	19.6	1.4	21.0
Europe/ANZ[2]	10.6	(2.0)	8.6
DvM[3]	8.4	(5.8)	2.6
Total Hygiene	**12.8**	**(1.9)**	**10.9**
Group	**13.3**	**(1.0)**	**12.3**

Notes:
(1) North America comprises the United States and Canada.
(2) Europe/ANZ comprises Europe, Russia/CIS, Turkey, Israel, Australia and New Zealand.
(3) DvM comprises all remaining countries in which the Group operates.
(4) Like-for-like.

Health

Net revenue in Q1 2020 was £2,189 million, an increase of £254 million, or 13.1 per cent., from £1,935 million in Q1 2019, with like-for-like growth of 13.6 per cent., resulting from strong demand for OTC and Other Health products in North America, Europe and Australia, partly offset by lower growth in DvM.

- ***North America***: Net revenue in Q1 2020 was £588 million, an increase of £168 million, or 40.0 per cent., from £420 million in Q1 2019, with like-for-like growth of 37.4 per cent. The result was due to strong growth in demand for Mucinex and IFCN and likely pantry loading caused by COVID-19.

- ***Europe/ANZ***: Net revenue in Q1 2020 was £577 million, an increase of £72 million, or 14.3 per cent., from £505 million in Q1 2019, with like-for-like growth of 15.7 per cent. The result was due to strong growth in OTC in line with improving market share trend and strong growth in Dettol as a result of COVID-19.

- ***DvM***: Net revenue in Q1 2020 was £1,024 million, an increase of £14 million, or 1.4 per cent., from £1,010 million in Q1 2019, with like-for-like growth of 2.6 per cent. The result was due to strong growth in Dettol as a result of COVID-19 and partly offset by a slow start in IFCN China as compared to a stronger Q1 in 2019.

Hygiene

Net revenue in Q1 2020 was £1,355 million, an increase of £133 million, or 10.9 per cent., from £1,222 million in Q1 2019, with like-for-like growth of 12.8 per cent. Underlying performance remained strong, sustaining progress made in 2019, with broad-based growth across regions and brands.

- ***North America***: Net revenue in Q1 2020 was £455 million, an increase of £79 million, or 21.0 per cent., from £376 million in Q1 2019, with like-for-like growth of 19.6 per cent. The result was due to strong growth in Lysol as a result of COVID-19.

- ***Europe/ANZ***: Net revenue in Q1 2020 was £581 million, an increase of £46 million, or 8.6 per cent., from £535 million in Q1 2019, with like-for-like growth of 10.6 per cent. The result was due to strong growth from Finish, Sagrotan and Napisan, reflecting good underlying growth and COVID-19 demand and solid performance from nearly all brands.

- ***DvM***: Net revenue in Q1 2020 was £319 million, an increase of £8 million, or 2.6 per cent., from £311 million in Q1 2019, with like-for-like growth of 8.4 per cent. The result was due to strong performances from Lysol, Finish and Vanish, with solid growth from Harpic, Mortein and Veja. Furthermore, strong growth in Latin America, the Middle East and South East Asia offset a decline in India related to the disruption caused by the COVID-19-related March 2020 lock-down.

Results of operations of the Group for 2017-2019

The following table presents our consolidated income statements for the years ended 31 December 2019, 2018 and 2017.

	For the year ended 31 December		
		2018	2017
	2019	(restated)[1]	(restated)[2]
		(£ millions)	
CONTINUING OPERATIONS			
Net revenue	**12,846**	**12,597**	**11,449**
Cost of sales	(5,068)	(4,962)	(4,626)
Gross profit	7,778	7,635	6,823
Net operating expenses	(4,616)	(4,577)	(4,086)
Impairment of goodwill and other intangible assets	(5,116)	—	—
Operating (Loss)/Profit	**(1,954)**	**3,058**	**2,737**
Adjusted Operating Profit	3,367	3,369	3,122
Adjusting items[3]	(5,321)	(311)	(385)
Operating (Loss)/Profit	**(1,954)**	**3,058**	**2,737**
Finance income	161	78	60
Finance expense	(314)	(416)	(298)
Net finance expense	**(153)**	**(338)**	**(238)**
(Loss)/profit before income tax	**(2,107)**	**2,720**	**2,499**
Income tax (expense)/benefit	(665)	(536)	894
Net (loss)/income from continuing operations	**(2,772)**	**2,184**	**3,393**
Net (loss)/income from discontinued operations	**(898)**	**(5)**	**2,796**
Net (loss)/income	**(3,670)**	**2,179**	**6,189**

Notes:

(1) Restated for the adoption of IFRS 16. For more detail, please see "*Selected Historical Financial Information—Group Financial Information*".

(2) Restated for the adoption of IFRS 15. For more detail, please see "*Selected Historical Financial Information—Group Financial Information*".

(3) In 2019, adjusting items included £5,321 million of expenses recorded in operating profit (2018: £311 million, 2017: £385 million) driven primarily by the impairment of IFCN goodwill of £5,037 million.

Year ended 31 December 2019 compared to 2018

Net revenue

Net revenue in 2019 was £12,846 million, an increase of £249 million, or 2.0 per cent., from £12,597 million in 2018. On like-for-like basis, net revenue increased by 0.8 per cent.

The positive foreign exchange impact on translation increased net revenue by 1.2 per cent.

Net revenue by segment and geography

The following tables present our net revenue by segment for the years ended 31 December 2019 and 2018, and net revenue growth in percentage terms on like-for-like basis and as reported for 2019 compared to 2018.

	For the year ended 31 December	
	2019	**2018**
	(£ millions)	
Health		
North America[(1)]	1,916	1,945
Europe/ANZ[(2)]	2,006	2,011
DvM[(3)]	3,893	3,806
Total Health	**7,815**	**7,762**
IFCN	2,980	2,839
Rest of Health[(4)]	4,835	4,923
Total Health	**7,815**	**7,762**
Hygiene Home		
North America[(1)]	1,598	1,516
Europe/ANZ[(2)]	2,187	2,154
DvM[(3)]	1,246	1,165
Total Hygiene/Home	**5,031**	**4,835**
Group[(5)]	**12,846**	**12,597**

Notes:
(1) North America comprises the United States and Canada.
(2) Europe/ANZ comprises Europe, Russia/CIS, Turkey, Israel, Australia and New Zealand.
(3) DvM comprises all remaining countries in which the Group operates.
(4) Rest of Health comprises OTC and Other Health.
(5) Total of Hygiene Home, IFCN and Rest of Health.

	2019 vs 2018		
	LFL[4]	**FX**	**Reported**
		(per cent.)	
Health			
North America[1]	(6.1)	4.6	(1.5)
Europe/ANZ[2]	0.5	(0.7)	(0.2)
DvM[3]	0.8	1.5	2.3
Total Health	**(1.0)**	**1.7**	**0.7**
Hygiene Home			
North America[1]	1.0	4.4	5.4
Europe/ANZ[2]	2.7	(1.2)	1.5
DvM[3]	8.6	(1.6)	7.0
Total Hygiene Home	**3.6**	**0.5**	**4.1**
Group	**0.8**	**1.2**	**2.0**

Notes:
(1) North America comprises the United States and Canada.
(2) Europe/ANZ comprises Europe, Russia/CIS, Turkey, Israel, Australia and New Zealand.
(3) DvM comprises all remaining countries in which the Group operates.
(4) Like-for-like.

Health

Net revenue in 2019 was £7,815 million, an increase of £53 million, or 0.7 per cent., from £7,762 million in 2018, with a like-for-like decline of 1.0 per cent. The result was due to lower volumes in Health through a combination of market share loss and retailer destocking. On a like-for-like basis, IFCN grew 2.6 per cent. reflecting a strong performance in North America, partly offset by weaker performance elsewhere. OTC revenue declined 4.4 per cent. on a like-for-like basis following lower than average incidence of cold and flu at the beginning of 2019 and retailer destocking in the United States. OTC market share and in-market consumption trends were positive. Other Health declined by 2.2 per cent. on a like-for-like basis primarily due to the underperformance of Scholl.

- ***North America***: Net revenue in 2019 was £1,916 million, a decrease of £29 million, or 1.5 per cent., from £1,945 million in 2018, with like-for-like decline of 6.1 per cent. The result was mainly due to lower than average incidence of cold and flu at the beginning of the year impacted Mucinex which delivered a weak net revenue performance due to the reduction in retailer inventory in the first quarter and the third quarter.

- ***Europe/ANZ:*** Net revenue in 2019 was £2,006 million, a decrease of £5 million, or 0.2 per cent., from £2,011 million in 2018, with like-for-like growth of 0.5 per cent. The result was mainly due to solid growth in OTC brands, Gaviscon and Nurofen, which delivered mid-single digit growth behind a combination of recent innovations. Scholl was a drag in the year as the strategic re-focus of the brand progresses.

- ***DvM:*** Net revenue in 2019 was £3,893 million, an increase of £87 million, or 2.3 per cent., from £3,806 million in 2018, with like-for-like growth of 0.8 per cent. This underperformance to expectation was mainly due to a slowdown of Dettol in India and the Middle East and a competitive pricing environment.

Hygiene Home

Net revenue in 2019 was £5,031 million, an increase of £196 million, or 4.1 per cent., from £4,835 million in 2018, with like-for-like growth of 3.6 per cent. The result was due to broad-based growth across brands, notably in Finish, Lysol, Harpic and Vanish, which comprised balanced price mix and volume growth.

- ***North America***: Net revenue in 2019 was £1,598 million, an increase of £82 million, or 5.4 per cent., from £1,516 million in 2018, with like-for-like growth of 1.0 per cent. The result was mainly due to Lysol, which had a strong first half of 2019 and was a key driver of growth in the region in 2019. Sales of Lysol were aided by a combination of new product launches and seasonal trends in the fourth quarter of 2019.

- ***Europe/ANZ***: Net revenue in 2019 was £2,187 million, an increase of £33 million, or 1.5 per cent., from £2,154 million in 2018, with like-for-like growth of 2.7 per cent. The result was mainly due to the region's largest brands, Finish and Air Wick. Finish experienced strong growth behind the rollout of Finish Quantum Ultimate in multiple markets across Europe, the launch of a new eco range of products, combined with new purpose campaigns aimed at reducing water usage.

- ***DvM***: Net revenue in 2019 was £1,246 million, an increase of £81 million, or 7.0 per cent., from £1,165 million in 2018, with like-for-like growth of 8.6 per cent. The result was due to broad-based growth across our brands. Harpic benefited from its recently launched premium liquid option, continued progress on its purpose campaign in India around toilets and water sanitation, and the expansion of its range to all areas of the bathroom.

Cost of sales

Cost of sales in 2019 was £5,068 million, an increase of £106 million or 2.1 per cent., from £4,962 million in 2018. This represented an increase of 10 basis points as a percentage of net revenue (from 39.4 per cent. to 39.5 per cent.).

Gross profit

Gross profit in 2019 was £7,778 million, an increase of £143 million, or 1.9 per cent., from £7,635 million in 2018. Gross margin in 2019 decreased by 10 basis points to 60.5 per cent., driven by a decline in Health offset by expansion in Hygiene Home. Health experienced a combination of negative volume, mix and cost increases. Hygiene Home benefitted from net positive pricing and mix.

Net operating expenses

Net operating expenses in 2019 were £4,616 million, an increase of £39 million, or 0.9 per cent., from £4,577 million in 2018.

Adjusting Items

Adjusting items in 2019 amounted to £5,321 million, a change of £5,010 million, from £311 million in 2018. This movement was primarily driven by an impairment charge of £5,037 million relating to goodwill of IFCN.

This was primarily due to:

- increased competition in China, particularly from domestic infant nutrition companies;
- an ongoing weakening of China market growth as a result of lower-than-expected birth rates;

- disruption to Hong Kong cross-border trade, leading to a loss of customers using this channel;
- tougher-than expected trading conditions in ASEAN and LATAM;
- increased investment within the IFCN supply chain in order to provide increased resilience and long-term flexibility; and
- a longer and more challenging process relating to the integration of Mead Johnson within the wider RB Group.

In accordance with IFRS, this impairment has been fully recognised against IFCN goodwill recognised on acquisition and subsequently reported within the Health operating segment.

For additional information, see Note 3 and Note 9 to the 2019 Financial Statements.

Operating loss/profit

Operating loss in 2019 was £1,954 million, a change of £5,012 million, or 163.9 per cent., from £3,058 million in operating profit in 2018.

Adjusted operating profit in 2019 was £3,367 million, a decrease of £2 million, or 0.1 per cent., from £3,369 million in 2018. The following table presents our adjusted operating profit by segment for the years ended 31 December 2019 and 2018.

	For the year ended 31 December	
	2019	**2018 (restated)[(1)]**
	(£ millions)	
Health	2,088	2,213
Hygiene Home	1,279	1,156
Total	**3,367**	**3,369**

Note:

(1) Restated for the adoption of IFRS 16. For more detail, please see "*Selected Historical Financial Information—Group Financial Information*".

Adjusted operating margin in 2019 decreased by 50 basis points to 26.2 per cent. due to increased investment in BEI.

Net finance expense

Net finance expense in 2019 was £153 million, a decrease of £185 million, or 54.7 per cent., from £338 million in 2018, driven mainly by the repayment of term loans and bonds, £35 million finance income on tax balances (2018: £29 million expense) as well as a settlement of litigation in Latin America, a gain due to a fair value credit relating to a downward revaluation of a put option held by our partners in a joint venture and a higher hedged return from temporary intercompany deposits with group treasury.

Income tax expense

Income tax expense in 2019 was £665 million, an increase of £129 million, or 24.1 per cent., from a £536 million income tax expense in 2018. The increase was primarily due to 2018 benefitting from the settlement of tax issues.

Net loss/income

Net loss in 2019 was £3,670 million, a change of £5,849 million, or 268.4 per cent., from net income of £2,179 million in 2018. This decrease is primarily due to the impairment charge of £5,037 million taken against IFCN during the year.

Adjusted net income in 2019 was £2,473 million, an increase of £65 million, or 2.7 per cent., from £2,408 million in 2018.

Year ended 31 December 2018 compared to 2017

Net revenue

Net revenue in 2018 was £12,597 million, an increase of £1,148 million, or 10.0 per cent., from £11,449 million in 2017. At constant exchange rates (i.e. removing the impact of foreign exchange translation), net revenue increased by 15 per cent., while like-for-like net revenue increased by 3 per cent. This movement was driven by relatively equal contributions from volume and price mix. The impact of consolidating the Mead Johnson business for a full 12 months in 2018 (versus 6.5 months in 2017) added 12 per cent. to growth. Total growth, at constant rates was therefore 15 per cent.

Net revenue by segment and geography

The following table presents our net revenue by segment for the years ended 31 December 2018 and 2017, and net revenue growth in percentage terms on like-for-like basis, net of acquisitions and dispositions, on a constant currency basis and as reported for 2018 compared to 2017.

	For the year ended 31 December	
	2018	2017 (restated)[6]
	(£ millions)	
Health		
North America[1]	1,945	1,543
Europe/ANZ[2]	2,011	2,065
DvM[3]	3,806	2,954
Total Health	**7,762**	**6,562**
IFCN	2,839	1,555
Rest of Health[4]	4,923	5,007
Total Health	**7,762**	**6,562**
Hygiene/Home		
North America[1]	1,516	1,479
Europe/ANZ[2]	2,154	2,198
DvM[3]	1,165	1,210
Total Hygiene/Home	**4,835**	**4,887**
Group[5]	**12,597**	**11,449**

Notes:
(1) North America comprises the United States and Canada.
(2) Europe/ANZ comprises Europe, Russia/CIS, Turkey, Israel, Australia and New Zealand.

(3) DvM comprises all remaining countries in which the Group operates.
(4) Rest of Health comprises OTC and Other Health.
(5) Total of Hygiene/Home, IFCN and Rest of Health.
(6) Restated for the adoption of IFRS 15. For more detail, please see "*Selected Historical Financial Information—Group Financial Information*".

	2018 vs 2017			
	LFL[4]	**Net M&A[5]**	**FX**	**Reported**
	(per cent.)			
Health				
North America[1]	4	26	(4)	26
Europe/ANZ[2]	(3)	2	(2)	(3)
DvM[3]	4	32	(6)	29
Total Health	**2**	**21**	**(4)**	**18**
Hygiene Home				
North America[1]	6	—	(4)	3
Europe/ANZ[2]	—	—	(2)	(2)
DvM[3]	9	—	(11)	(4)
Total Hygiene Home	**4**	**—**	**(5)**	**(1)**
Group	**3**	**12**	**(5)**	**10**

Notes:
(1) North America comprises the United States and Canada.
(2) Europe/ANZ comprises Europe, Russia/CIS, Turkey, Israel, Australia and New Zealand.
(3) DvM comprises all remaining countries in which the Group operates.
(4) Like-for-like.
(5) Reflects the impact of acquisitions and disposals within continuing operations.

Health

Net revenue in 2018 was £7,762 million, an increase of £1,200 million, or 18.3 per cent., from £6,562 million in 2017, with like-for-like growth of 2 per cent. The result was mainly due to improving trends across segments. IFCN grew through a combination of strong in-year market growth in Greater China, successful innovation and growth in new channels, despite a temporary manufacturing disruption in the third quarter of 2018. OTC grew by 5 per cent. like-for-like with strong, broad-based growth across key brands.

- ***North America***: Net revenue in 2018 was £1,945 million, an increase of £402 million, or 26 per cent., from £1,543 million in 2017, with like-for-like growth of 4 per cent. The result was mainly due to growth in IFCN following the successful launch of Enfamil NeuroPro during the year and VMS brands delivering double digit growth.

- ***Europe/ANZ***: Net revenue in 2018 was £2,011 million, a decrease of £54 million, or 3 per cent., from £2,065 million in 2017, with like-for-like decline of 3 per cent. The result was mainly due to a weak start to the flu season impacting sales of Strepsils and other local seasonal brands.

- ***DvM***: Net revenue in 2018 was £3,806 million, an increase of £852 million, or 29 per cent., from £2,954 million in 2017, with like-for-like growth of 4 per cent. The result was due to Dettol showing strong growth in India and VMS brands yielding double digit growth in China.

Hygiene Home

Net revenue in 2018 was £4,835 million, a decrease of £52 million, or 1.1 per cent., from £4,887 million in 2017, with like-for-like growth of 4 per cent. The result was due to a combination of innovation-led success and improved in-market execution. Growth was broad-based across brands, led by Harpic and Lysol, and strong performances from Finish, Air Wick and Vanish.

- ***North America***: Net revenue in 2018 was £1,516 million, an increase of £37 million, or 3 per cent., from £1,479 million in 2017, with like-for-like growth of 6 per cent. The result was due to strong performance by Lysol, due to a combination of a seasonal benefit in the first quarter of 2018, success of new daily cleanser and cleansing wipes options, and improved distribution. Finish, Air Wick and Vanish all delivered strong growth behind both innovation (Finish Quantum Ultimate Clean & Shine and Air Wick Essential Mist) and improved in-store execution under our new RB 2.0 infrastructure.

- ***Europe/ANZ***: Net revenue in 2018 was £2,154 million, a decrease of £44 million, or 2 per cent., from £2,198 million in 2017, with like-for-like growth of 0 per cent. The result was mainly due to challenging market conditions and pricing environment.

- ***DvM***: Net revenue in 2018 was £1,165 million, a decrease of £45 million, or 4 per cent., from £1,210 million in 2017, with like-for-like growth of 9 per cent. The result was due to the larger markets of India and Brazil delivering strong growth. Brazil experienced strong performances from major brands of SBP (pest), Veja (surface care) and Vanish, as well as less penetrated brands of Finish and Harpic. In India, Harpic delivered a strong performance behind both innovation (Swachh Bharat (clean India) pack) and social awareness programmes aimed at changing behaviours towards open defecation.

Cost of sales

Cost of sales in 2018 was £4,962 million, an increase of £336 million, or 7.3 per cent., from £4,626 million in 2017. This represented a reduction of 100 basis points as a percentage of net revenue (from 40.4 per cent. to 39.4 per cent.).

Gross profit

Gross profit in 2018 was £7,635 million, an increase of £812 million, or 11.9 per cent., from £6,823 million in 2017. Gross margin in 2018 increased by 100 basis points primarily due to acquisition-related adjustments made to cost of sales within the 2017 accounts, which reduced the 2017 gross margin as a percentage of net revenue on an adjusted basis, removing the impact of acquisition-related adjustments. Gross margin in 2018 decreased by 40 basis points to 60.6 per cent. due to the combination of input cost headwinds, and an unfavourable pricing environment. Gross margin was also negatively impacted by a temporary manufacturing disruption in the IFCN business, including an increase in logistics costs as we sought to restock channels as quickly as possible in China.

Net operating expenses

Net operating expenses in 2018 were £4,577 million, an increase of £491 million, or 12.0 per cent., from £4,086 million in 2017. This movement was primarily due to the inclusion of a full 12 months of Mead Johnson expenses compared to only six months in 2017.

Adjusting Items

Adjusting items in 2018 amounted to £311 million, a change of £74 million, from £385 million in adjusting items in 2017. This movement was primarily driven by the Mead Johnson acquisition costs,

which were not repeated in 2018, offset by increasing costs relating to the RB 2.0 project. For additional information, see Note 3 to the 2019 Financial Statements.

Operating profit

Operating profit in 2018 was £3,058 million, an increase of £321 million, or 11.7 per cent., from £2,737 million in 2017.

Adjusted operating profit in 2018 was £3,369 million, an increase of £247 million, or 7.9 per cent., from £3,122 million in 2017. The following table presents our adjusted operating profit by segment for the years ended 31 December 2018 and 2017.

	For the year ended 31 December	
	2018 (restated)[1]	**2017 (restated)[2]**
	(£ millions)	
Health	2,213	1,949
Hygiene Home	1,156	1,173
Total	**3,369**	**3,122**

Notes:

(1) Restated for the adoption of IFRS 16. For more detail, please see "*Selected Historical Financial Information—Group Financial Information*".

(2) Restated for the adoption of IFRS 15. For more detail, please see "*Selected Historical Financial Information—Group Financial Information*".

Adjusted operating margin in 2018 decreased by 60 basis points to 26.7 per cent. driven by declining gross margin from input costs, offset by efficiencies in BEI.

Net finance expense

Net finance expense in 2018 was £338 million, an increase of £100 million, or 42.0 per cent., from £238 million in 2017. The increase was due to cost of debt incurred to finance the acquisition of Mead Johnson in mid-2017.

Income tax expense

Income tax expense in 2018 was £536 million, compared to a tax benefit of £894 million in 2017. This was due to a one-off net tax credit of £1,421 million following tax reforms in the US.

Net income

Net income in 2018 was £2,179 million, a decrease of £4,010 million, or 64.8 per cent., from £6,189 million in 2017. This decrease is primarily due to profit of £2,796 million which related to the RB food business which was sold in late 2017 and was therefore not included within the 2018 numbers, alongside the one-off net tax credit of £1,421 million following tax reforms in the U.S.

Adjusted net income in 2018 was £2,408 million, an increase of £100 million, or 4.3 per cent. actual, from £2,308 million in 2017 (excluding discontinued operations).

Liquidity and capital resources

Overview

Our primary sources of funds are cash generated from operations and funds available under our credit facilities and commercial paper programmes. The primary uses of funds are for cost of sales and operating expenses, acquisitions, share repurchases and dividends, debt service and repayment, and capital expenditure.

As of 31 December 2019, we had:

- total borrowings of £12,195 million;
- cash and cash equivalents of £1,549 million;
- net debt (which we define as total borrowings less cash and cash equivalents, short-term available-for-sale financial assets and financing derivative financial instruments) of £10,749 million; and
- undrawn committed borrowing facilities of £5,500 million.

See "—*Borrowings*" below.

Our net working capital as of 31 December 2019 was negative £1,427 million.

Due to lack of liquidity in the market for short-term commercial paper as a result of COVID-19 related disruptions, post year end and as at the date of this Offering Memorandum, the Group had drawn down £750 million under its committed borrowing facilities. As of the date of this Offering Memorandum, committed facilities total £5,500 million, of which £4,750 million remains undrawn.

Cash flow forecasting is performed by our local business units and aggregated by Group Treasury. Group Treasury monitors rolling forecasts of our liquidity requirements with the aim of ensuring that we have sufficient cash to meet operational needs while maintaining sufficient headroom on our undrawn committed borrowing facilities. Funds over and above those required for short-term working capital purposes by the local businesses are generally remitted to Group Treasury. We use the remittances to settle obligations, repay borrowings, or, in the event of a surplus, invest in short-term instruments issued by institutions with a BBB rating or higher.

We operate in a number of territories where there are either foreign currency exchange restrictions, or where it is difficult for us to extract cash readily and easily in the short-term. As a result, £17 million (2018: £2 million) of cash included in cash and cash equivalents is restricted for use by the Group, yet available for use in the relevant subsidiary's day-to-day operations.

Cash flows

The following table presents our condensed consolidated cash flow statements for the years ended 31 December 2019, 2018 and 2017.

	For the year ended 31 December		
	2019	2018 (restated)[1]	2017
		(£ millions)	
Net cash generated from operating activities	1,411	2,524	2,491
Net cash used in investing activities	(442)	(422)	(8,896)
Net cash (used in)/generated from financing activities	(830)	(2,688)	7,737
Net increase/(decrease) in cash and cash equivalents	139	(586)	1,332
Cash and cash equivalents at beginning of the year	1,477	2,117	873
Exchange losses	(69)	(54)	(88)
Cash and cash equivalents at end of the year	**1,547**	**1,477**	**2,117**

Note:

(1) Restated for the adoption of IFRS 16. For more detail, please see "*Selected Historical Financial Information—Group Financial Information*".

Net cash generated from operating activities

Net cash generated from operating activities was £1,411 million in 2019, a decrease of £1,113 million, or 44.1 per cent., from £2,524 million in 2018. This decrease reflects the $1.4 billion (£1.1 billion) relating to the Indivior PLC settlement with the DOJ. For more information, see *"—Contingencies—Indivior investigations.*"

Net cash generated from operating activities was £2,524 million in 2018, an increase of £33 million, or 1.3 per cent., from £2,491 million in 2017.

Net cash used in investing activities

Net cash used in investing activities was £442 million in 2019, an increase of £20 million, or 4.7 per cent., from £422 million in 2018.

Net cash used in investing activities was £422 million in 2018, a decrease of £8,474 million, or 95.3 per cent., from £8,896 million in 2017. This decrease was primarily due to the acquisition of Mead Johnson in 2017 with no comparable acquisition occurring in the 2018 financial year.

Net cash (used in)/generated from financing activities

Net cash used in financing activities was £830 million in 2019, a change of £1,858 million, or 69.1 per cent., from £2,688 million in 2018. This change was primarily due to less borrowings being drawn down during the year.

Net cash used in financing activities was £2,688 million in 2018, an increase of £10,425 million, or 135 per cent., from proceeds of £7,737 million in 2017. This was primarily due to an increase in borrowing during 2017 to fund the acquisition of Mead Johnson.

Free cash flow

Free cash flow is the net cash generated from operating activities (excluding discontinued operations) after capital expenditure on property, plant and equipment and intangible assets, and any related

disposals. Free cash flow reflects cash flows that could be used for payment of dividends, repayment of debt, to fund acquisitions or other strategic objectives. In 2019, free cash flow as a percentage of adjusted net income was 86.7 per cent., compared to 87.2 per cent. in 2018 and 94.5 per cent. in 2017, excluding cash flows from discontinued operations.

The following table presents our free cash flow for the years ended 31 December 2019, 2018 and 2017.

	For the year ended 31 December		
	2019	**2018 (restated)[1]**	**2017**
		(£ millions)	
Cash generated from continuing operations	3,408	3,400	3,153
Net interest paid	(210)	(321)	(167)
Tax paid	(647)	(567)	(543)
Purchase of property, plant and equipment	(306)	(342)	(286)
Purchase of intangible assets	(137)	(95)	(63)
Proceeds from the sale of property, plant and equipment	37	24	35
Free cash flow	**2,145**	**2,099**	**2,129**
Cash conversion[2]	86.7%	87.2%	94.5%

Notes:

(1) Restated for the adoption of IFRS 16. For more detail, please see "*Selected Historical Financial Information—Group Financial Information*".

(2) Cash conversion is defined as free cash flow divided by adjusted net income attributable to owners of the parent company.

Free cash flow was £2,145 million in 2019, an increase of £46 million, or 2.2 per cent., from £2,099 million in 2018.

Free cash flow was £2,099 million in 2018, a decrease of £30 million, or 1.4 per cent., from £2,129 million in 2017.

Net working capital

Net working capital was negative £1,427 million in 2019, a change of £11 million, or 0.8 per cent., from negative £1,438 million in 2018.

Net working capital was negative £1,438 million in 2018, a movement of negative £14 million, or 1.0 per cent., from negative £1,424 million in 2017.

Capital expenditures

Capital expenditure consists of purchases of property, plant and equipment, as well as intangible assets. Our capital expenditure was £443 million in 2019, £437 million in 2018 and £349 million in 2017.

Borrowings

The following table presents our total borrowing and net debt as of 31 December 2019, 2018 and 2017.

	As of 31 December		
	2019	**2018 (restated)[4]**	**2017 (restated)[4]**
		(£ millions)	
Current:			
Bank loans and overdrafts[1]	16	40	28
Commercial paper[2]	2,993	1,608	948
Bonds	—	—	370
Senior notes	569	560	—
Lease liabilities	72	61	48
Non-current:			
Bonds	6,201	6,440	6,073
Senior notes	1,265	1,904	2,350
Term loans	826	1,326	3,092
Lease liabilities	253	280	282
Gross borrowings	12,195	12,219	13,191
Cash and cash equivalents	(1,549)	(1,483)	(2,125)
Other[3]	103	10	10
Net debt	**10,749**	**10,746**	**11,076**

Notes:

(1) Bank loans are denominated in a number of currencies, and all are unsecured and bear interest based on the relevant LIBOR equivalent.

(2) Commercial paper was issued in U.S. dollars and Euros, is unsecured and bears interest based on the relevant LIBOR equivalent.

(3) Other primarily consists of derivative financial instruments (debt).

(4) Restated for the adoption of IFRS 16. For more detail, please see "*Selected Historical Financial Information—Group Financial Information*".

Commercial paper

The Group obtains short-term financing from the commercial paper market. Reckitt Benckiser Treasury Service plc has a commercial paper programme with a programme limit of $8 billion. The Group also has a multi-currency commercial paper programme with a programme limit of €3 billion. Both programmes are guaranteed by the Company. Commercial paper is unsecured and bears interest based on the relevant LIBOR equivalent.

As at 31 December 2019, the Group had commercial paper in issue amounting to $2,028 million (nominal values) at rates of between 1.8 per cent. and 2.78 per cent. with maturities ranging from 2 January 2020 to 31 July 2020, and €1,750 million (nominal values) at the rate of between negative 0.15 per cent. and 0.35 per cent. with maturities ranging from 23 January 2020 to 12 August 2020. As at the date of the offering memorandum, the Group had commercial paper in issue amounting to $705 million and €1,410 million (nominal values). The decrease is due to general illiquidity in the market for commercial paper meaning other sources of funding have been used to meet commercial paper repayments as they have fallen due.

Bank loans and overdrafts

We have various borrowing facilities available to our business, including bilateral credit facilities with high quality international banks. The facilities have been arranged to cover general corporate purposes including support for commercial paper issuance. All facilities incur commitment fees at market rates.

All of these facilities have similar or equivalent terms and conditions, and have a financial covenant, which is not expected to restrict our future operations.

As of 31 December 2019, we had, in addition to long-term debt excluding lease liabilities of £8,292 million, undrawn committed borrowing facilities totalling £5,500 million, of which £5,500 million exceeded 12 months' maturity. The committed borrowing facilities, together with available uncommitted facilities and central cash and investments, are considered sufficient to meet the Group's projected cash requirements.

The following table presents the maturity profile of our undrawn committed facilities available in respect of which all conditions precedent have been met.

	As of 31 December		
	2019	**2018**	**2017**
		(£ millions)	
Expiring within one year	—	—	—
Expiring between one and two years	—	—	—
Expiring after more than two years	5,500	4,500	4,500
Total undrawn committed borrowing facilities	**5,500**	**4,500**	**4,500**

Debt profile

The following table presents our financial liabilities and the derivatives that will be settled on a net basis into relevant maturity groupings based on the remaining period as at 31 December 2019 to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows that have been calculated using spot rates as at 31 December 2019, including interest to be paid.

	As of 31 December				
	Total	**Less than 1 year**	**Between 1 and 2 years**	**Between 2 and 5 years**	**Over 5 years**
			($ millions)		
Commercial paper	(3,013)	(3,013)	—	—	—
Bonds	(7,049)	(176)	(176)	(4,670)	(2,027)
Term loans	(881)	(21)	(21)	(839)	—
Senior notes	(2,584)	(637)	(54)	(162)	(1,731)
Interest rate swaps	(1)	(1)	—	—	—
Trade payables	(1,796)	(1,796)	—	—	—
Other payables	(3,087)	(2,875)	(55)	(135)	(22)

Dividends

The following table presents the cash dividends on equity ordinary shares.

	As of 31 December		
	2019	**2018**	**2017**
		(£ millions)	
Dividends paid.....	1,227	1,187	1,134

The Directors proposed a final dividend in respect of the financial year ended 31 December 2019 of 101.6 pence per share, which is expected to absorb an estimated £721 million of shareholder' funds. The dividend was approved by shareholders at the Annual General Meeting on 12 May 2020 and will be paid on 28 May 2020.

Off-balance sheet arrangements

We do not have off-balance sheet financing or unconsolidated special purpose entities.

Contingencies

We are involved in a number of civil and/or criminal investigations by government authorities as well as litigation proceedings and we have made provisions for such matters where appropriate. Where it is too early to determine the likely outcome of these matters, or to make a reliable estimate, the Directors have made no provision for such potential liabilities.

From time to time, we are involved in discussions in relation to ongoing tax matters in a number of jurisdictions around the world. Where appropriate, the Directors make provisions based on their assessment of each case.

HS South Korea

Provision has been made for certain costs arising as a result of the HS issue, including costs arising from compensating Oxy HS Category I and II victims classified within Rounds 1, 2, 3 and 4 of the KCDC classification process.

There were, in addition, a number of further costs/income relating to the HS issue that were either not able to be estimated or quantified or were considered not probable at the time. See "*Our Business—Material Governmental and Legal Proceedings—South Korea HS issue*" and "*Risk Factors—We face significant financial and reputational risk in relation to humidifier sanitiser products marketed by our Korean subsidiary*."

Indivior investigations

On 11 July 2019, we announced we had reached agreements with the DOJ and the FTC to resolve the long-running investigation into the sales and marketing of Suboxone Film by its former prescription pharmaceuticals business Indivior, a business that was wholly demerged from the Group in 2014.

Under the terms of the agreements, we agreed to pay $1.4 billion (£1.1 billion) to fully resolve all federal investigations into us in connection with the subject matter of the Indivior indictment and claims relating to state Medicaid programmes. The resolution will also protect our participation in all U.S. government programmes. For more information, see "*Our Business—Material Governmental and Legal Proceedings—Indivior investigations.*"

Market risks

The main financial risks associated with our business have been identified as foreign exchange risk, price risk and interest rate risk.

Foreign exchange risk

We operate internationally and enter into transactions in many currencies and as such are exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities and net investments in foreign operations.

Our policy is to align interest costs and operating profit of our major currencies in order to provide some protection against the translation exposure on foreign currency profits after tax. We may undertake borrowings and other hedging methods in the currencies of the countries where most of our assets are located.

It is our policy to monitor and, only where appropriate, hedge our foreign currency transaction exposure. These transaction exposures arise mainly from foreign currency receipts and payments for goods and services and from the remittances of foreign currency dividends and loans. Where we enter in hedges and apply hedge accounting, hedges are documented and tested for effectiveness on an ongoing basis with any ineffectiveness recorded in the income statement.

The local business units enter into forward foreign exchange contracts with Group Treasury to manage these exposures where practical and allowed by local regulations. Group Treasury matches the Group exposures, and hedges the position where possible, using spot and forward foreign currency exchange contracts.

Our strategy is to minimise income statement volatility by monitoring foreign currency balances, external financing, and external hedging arrangements. Our hedging profile is regularly reviewed to ensure it is appropriate and to mitigate these risks as far as possible.

The notional principal amount of the outstanding forward foreign exchange contracts at 31 December 2019 was £6,190 million payable, compared to £4,486 million payable at 31 December 2018 and £2,760 million payable at 31 December 2017.

As at 31 December 2019, we designated bonds totalling $500 million as the hedging instrument in a net investment hedge relationship. The hedged risk is the foreign exchange currency risk on the value of our net investment in U.S. dollars. Possible sources of ineffectiveness include any impairments in our net investments in U.S. dollars.

As at 31 December 2019, we designated commercial paper totalling €1,472 million, for which the carrying value was equal to the fair value, as the hedging instrument in a net investment hedge relationship. The hedged risk is the foreign exchange currency risk on the value of our net investments in Euros.

The net gain or loss under these arrangements is recognised in other comprehensive income. The net effect on other comprehensive income for the year ended 31 December 2019 was a £70 million gain, compared to a loss of £44 million in 2018 and a gain of £44 million in 2017. If the Pound Sterling strengthens or weakens by 5 per cent. against the U.S. dollar and Euro, the maximum impact on shareholders' equity due to net investment hedging by U.S. dollar bond and Euro commercial paper would be £77 million and £85 million, respectively.

Cash flow hedge profile

Our strategy is to minimise income statement volatility by monitoring foreign currency balances, external financing, and external hedging arrangements. Our hedging profile is regularly reviewed to ensure it is appropriate and to mitigate these risks as far as possible. We held forward foreign exchange contracts denominated as cash flow hedges primarily in Euro, U.S. dollars, Pound Sterling, Australian dollars, Chinese renminbi and Saudi riyal. The following table presents the notional value of the payable leg resulting from these financial instruments.

	As of 31 December		
	2019	**2018**	**2017**
		(£ millions)	
Pound Sterling	451	241	383
Euro	415	403	221
U.S. dollars	396	395	115
Chinese renminbi	112	214	—
Saudi riyal	94	40	98
Australian dollars	81	61	63
Other	621	521	432
Total	**2,170**	**1,875**	**1,312**

These forward foreign exchange contracts are expected to mature over the period January 2020 to December 2020 (2018: January 2019 to December 2020; 2017: January 2018 to December 2020).

At 31 December 2019, we had forward contracts used for cash flow hedging with total fair value of £6 million liability (2018: £7 million asset). These contracts are denominated in a diverse range of currency pairings, where a fluctuation of 5 per cent. in any one of the contract pairings, with all others remaining constant, would have a maximum effect of £9 million (2018: £25 million) on shareholder equity, until the point at which the contracts mature and the forecast transaction occurs. The four largest contract pairings in order of nominal value were Euro/Polish Zloty, Euro/Pound Sterling, Saudi Riyal/U.S. dollar and U.S. dollar/Pound Sterling. The remaining major monetary financial instruments (liquid assets, receivables, interest and non-interest bearing liabilities) are directly denominated in our functional currency or are transferred to the functional currency of the local entity through the use of derivatives.

The gains and losses from fair value movements on derivatives held at fair value through the income statement in 2019 was a £158 million loss, compared to a £65 million gain in 2018 and a £61 million loss in 2017.

Price risk

Due to the nature of its business the Group is exposed to commodity price risk related to the production or packaging of finished goods, such as oil related, and a diverse range of other, raw materials. This risk is, however, managed primarily through medium-term contracts with certain key suppliers and is not therefore viewed as being a material risk.

Interest rate risk

We have both interest-bearing and non-interest-bearing assets and liabilities. We monitor our interest income and expense rate exposure on a regular basis. We manage our interest income rate exposure on our gross financial assets by using a combination of fixed rate term deposits. Under our interest rate management strategy a percentage of fixed interest rate borrowings have been swapped to floating interest rates. Our debt is obtained on a fixed or floating basis to align with fixed to floating debt requirements.

Interest rate swaps are held to hedge the interest rate risk associated with the $750 million 2020 Senior Note. The interest rate swaps convert the fixed rate of 3 per cent. on the 2020 Senior Note to floating and have been designated as a fair value hedge. As at 31 December 2019 interest rate swaps held at fair value totalled £1 million payable (2018: £16 million payable). The fair value adjustment applied to the bonds due to the hedge designation totalled £1 million receivable (2018: £16 million receivable). The interest rate swaps are documented and assessed for ineffectiveness on an ongoing basis, with any ineffectiveness recognised in the income statement. Possible sources of ineffectiveness include any changes to our credit ratings or counterparties to the interest rate swaps, differences in day counts between the interest rate swaps and the coupons of the hedged senior notes, and modifications to the senior notes such as any repayments.

Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, we calculate the impact on the income statement of a defined interest rate shift. For each simulation, the same interest rate shift is used for all currencies, calculated on a full year and pre-tax basis.

The scenarios are only run for liabilities that represent the major interest-bearing positions. Based on the simulations performed, the impact on the income statement of a 50 basis-point shift in interest rates would be a maximum increase of £25 million (2018: £16 million; 2017: £18 million) or decrease of £25 million (2018: £16 million; 2017: £18 million), respectively for the liabilities covered. The simulation is done on a periodic basis to verify that the maximum loss simulated is within the limit given by management.

Pensions

We operate a number of defined benefit and defined contribution pension plans around the world covering many of our employees, which are principally funded. Our most significant defined benefit pension plan, which is in the United Kingdom, is a final salary plan, which closed to new entrants in 2005. Trustees of the plan are appointed by the Group, active members and pensioner membership, and are responsible for the governance of the plan, including paying all administrative costs and compliance with regulations. The plan is funded by the payment of contributions to the plan's trust, which is a separate entity from the rest of the Group.

We also operate a number of other post-retirement plans in certain countries. The two major plans are the U.S. Retiree Health Care Plan and the Mead Johnson & Company, LLC Medical Plan. A Benefits Committee is appointed by the Group for both of these plans, and is responsible for the governance of the plans, including paying all administrative costs and compliance with regulations. Both of these plans are unfunded.

For a complete description of our pension commitments, see Note 22 of our 2019 Financial Statements.

Critical accounting policies and use of estimates

In the application of our accounting policies the Directors are required to make a number of estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources.

The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

For a complete description of our principal accounting policies, see Note 1 of our 2019 Financial Statements.

Critical judgements in applying the Group's accounting policies

The following are the critical judgements, that the Directors have made in the process of applying our accounting policies, that have the most significant effect on the amounts recognised in our Financial Statements.

- We have identified matters that may incur liabilities in the future, but do not recognise these where it is too early to determine the likely outcome or make a reliable estimate (Note 19 of our 2019 Financial Statements).

- The continuing enduring nature of our brands supports the indefinite life assumption of these assets (Note 9 of our 2019 Financial Statements).

- Assumptions are made as to the recoverability of tax assets especially as to whether there will be sufficient future taxable profits in the same jurisdictions to fully utilise losses in future years (Note 11 of our 2019 Financial Statements).

Key sources of estimation uncertainty

The key assumptions concerning the future, and other key sources of estimation uncertainty at the balance sheet date, that may have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are discussed below:

- Under IFRS, goodwill and other indefinite life intangible assets must be tested for impairment on at least an annual basis. This testing generally requires management to make multiple estimates, for example around individual market pressures and forces, future price and volume growth, future margins, terminal growth rates and discount rates. Further details can be found in Note 9 of our 2019 Financial Statements.

- The actual tax paid on profits is determined based on tax laws and regulations that differ across the numerous jurisdictions in which we operate. Assumptions are made in applying these laws to the taxable profits in any given period in order to calculate the tax charge for that period. Where the eventual tax paid or reclaimed is different to the amounts originally estimated, the variance is charged or credited to the income statement in the period in which it is determined (Note 7 of our 2019 Financial Statements).

- We are subject to tax audits and uncertainties in a number of jurisdictions. The issues involved can be complex and disputes may take a number of years to resolve. Each uncertainty is separately assessed and the provision recognised depends on the specific context of each case. The accounting estimates and judgements considered include:

    - status of the unresolved matter;

    - clarity of relevant legislation and related guidance;

    - pre-clearances issued by taxing authorities;

    - advice from in-house specialists and opinions of professional firms;

    - resolution process and range of possible outcomes;

- past experience and precedents set with the particular taxing authority;
- decisions and agreements reached in other jurisdictions on comparable issues;
- unutilised tax losses, tax credits and availability of mutual agreement procedures between tax authorities; and
- statute of limitations.

Management is of the opinion that the carrying values of the provisions made in respect of these matters represent the most accurate measurement once all facts and circumstances have been taken into account. Nevertheless, the final amounts paid to discharge the liabilities arising (either through negotiated settlement or litigation) will in all likelihood be different from the provision recognised. The net liabilities recognised in respect of uncertain tax positions at 31 December 2019 are disclosed in Note 21 of our 2019 Financial Statements.

- We provide for amounts payable to our trade customers for promotional activity. Where a promotional activity spans across the year end, an accrual is reflected in the consolidated Financial Statements based on our estimation of customer and consumer uptake during the promotional period and the extent to which temporary promotional activity has occurred. Details of trade spend accrued as at 31 December 2019 are provided in Note 20 of our 2019 Financial Statements.

- We recognise legal provisions in line with our provisions policy. The level of provisioning in relation to civil and/or criminal investigations is an area where management and legal judgement is important, with individual provisions being based on best estimates of the potential loss, considering all available information, external advice and historical experience (Note 17 of our 2019 Financial Statements). These are valued based on the Directors' best estimates taking into account all available information, external advice and historical experience.

- The value of our defined benefit pension plan obligations are dependent on a number of key assumptions. These include assumptions over the rate of increase in pensionable salaries, the discount rate to be applied, the level of inflation and the life expectancy of the scheme members. Details of the key assumptions and the sensitivity of the principal schemes carrying value to changes in the assumptions are set out in Note 22 of our 2019 Financial Statements.

Adoption of new and revised standards

The following standards issued by the IASB and endorsed by the EU have been adopted by the Group from 1 January 2018:

- IFRS 15: Revenue from Contracts with Customers (replacing IAS 18 Revenue); and
- IFRS 9: Financial Instruments (replacing IAS 39 Financial instruments: Recognition and Measurement).

The following standards issued by the IASB and endorsed by the EU have been adopted by the Group from 1 January 2019:

- IFRS 16: Leases (replacing IAS 17 Leases); and
- IFRIC 23 Uncertainty over Income Tax Treatments (IFRIC 23 further clarifies the accounting for uncertainty in income taxes under IAS 12).

Accounting standards and interpretations in issue but not yet effective

A number of new standards are effective for annual periods beginning on or after 1 January 2020 and earlier application is permitted; however, we have not early adopted the new or amended standards in preparing our Financial Statements.

The following amended standards and interpretations are not expected to have a significant impact on our financial statements:

- Amendments to References to Conceptual Framework in IFRS Standards.
- Definition of a Business (Amendments to IFRS 3).
- Definition of Material (Amendments to IAS 1 and IAS 8).
- Interest Rate Benchmark Reform (Amendments to IFRS9, IAS39 and IFRS7).

MATERIAL CONTRACTS

Except as set out below and as disclosed in this Offering Memorandum under "*Operating and Financial Review—Liquidity and capital resources*", there are no contracts, except those entered into in the ordinary course of business, that are or may be material and:

- have been entered into by members of the Group within the two years immediately preceding the date of this Offering Memorandum; or

- have been entered into by members of the Group and contain any provision under which any such member has any obligation or entitlement that is material to the Group as of the date of this Offering Memorandum.

RB Material Contracts

The following contracts, not being contracts entered into in the ordinary course of business, have been entered into by members of the Group. For information on existing credit facilities and commercial paper of the Group, see "*Operating and Financial Review—Borrowings.*"

Acquisition of Mead Johnson

On 10 February 2017, the boards of directors of the Company and Mead Johnson announced that they had entered into a merger agreement, which sets out the terms for the acquisition of Mead Johnson by RB. The acquisition was completed on 15 June 2017. The acquisition was implemented by way of merger whereby an indirect wholly-owned subsidiary of the Company, Marigold Merger Sub, Inc., was merged with Mead Johnson, with Mead Johnson surviving the merger and becoming an indirect wholly-owned subsidiary of the Company. Mead Johnson stockholders received $90 in cash for each share of Mead Johnson's common stock.

Indivior Demerger Agreement

The Company entered into a demerger agreement with Indivior (the "**Indivior Demerger Agreement**") to effect the demerger of Indivior from the Group (the "**Indivior Demerger**") and to govern the relationship between the Company and Indivior following the Indivior Demerger. The Indivior Demerger was effected on 23 December 2014. Most of the Company's rights and obligations under the Indivior Demerger Agreement have either been satisfied or have expired. However, there are mutual indemnities which remain in effect, under which Indivior has indemnified the Group against certain liabilities arising in respect of the Indivior business and the Company has indemnified Indivior against certain liabilities arising in respect of the business carried on by the Group other than the Indivior business. These mutual indemnities are unlimited in terms of amount and duration and are customary for an agreement of this type.

Indivior Demerger Tax Deed

The Company entered into a demerger tax deed with Indivior on 23 December 2014 (the "**Indivior Demerger Tax Deed**") in connection with the Indivior Demerger. Subject to certain exceptions, the Company has indemnified Indivior against certain tax liabilities arising as a result of the Indivior Demerger or certain pre-Demerger reorganisation steps. The Company has also indemnified Indivior against certain tax liabilities which are properly liabilities of the Group being imposed on a member of the Indivior group, and against certain tax liabilities arising as a result of a member of the Group making a chargeable payment within the meaning of section 1088 of the Corporation Tax Act 2010, and against certain tax liabilities arising as a result of the Indivior group carrying on a non-pharma business at any time before the Indivior Demerger, and against certain tax liabilities arising as a result of any non-U.S. controlled foreign company rules applying in relation to the Group. Subject to certain exceptions,

Indivior has also indemnified the Company against certain tax liabilities which are properly liabilities of the Indivior group being imposed on a member of the Group and against certain tax liabilities arising as a result of a member of the Indivior group making a chargeable payment within the meaning of section 1088 of the Corporation Tax Act 2010 or taking any other action after the Indivior Demerger which prevents the transfer of the shares in RBP Global Holdings Limited and the issue of Indivior ordinary shares by Indivior pursuant to the Indivior Demerger Agreement from being an exempt distribution for the purposes of section 1075 of the Corporation Tax Act 2010, and against certain tax liabilities arising as a result of the Group carrying on pharma business at any time before the Indivior Demerger, and against certain tax liabilities arising as a result of any non-U.S. controlled foreign company rules applying in relation to the Indivior group. All these indemnities are unlimited in terms of amount. They do not cover liabilities which have not been notified by the indemnified party to the indemnifying party within three months after the expiry of the period specified by statute during which an assessment of the relevant tax liability may be issued by the relevant tax authority or, if there is no such period, prior to 30 January 2020.

Indivior Demerger U.S. Tax Agreement

The Company entered into an agreement relating to U.S. tax matters with Indivior on 23 December 2014 (the "**Indivior Demerger U.S. Tax Agreement**") in connection with the Indivior Demerger. The Indivior Demerger U.S. Tax Agreement governs both Indivior's and the Company's rights and obligations after the Indivior Demerger with respect to U.S. federal, state and local taxes for both pre- and post-demerger periods. Under the Indivior Demerger U.S. Tax Agreement, the Indivior group and the Group generally will be responsible for any taxes attributable to their respective operations for all taxable periods, except for transfer taxes imposed in connection with an internal restructuring and the Indivior Demerger, which are the Group's responsibility, and income taxes resulting from the failure of the internal restructuring or the Indivior Demerger to qualify as a tax free transaction, which are generally shared by Indivior and the Group according to relative fault.

Under the Indivior Demerger U.S. Tax Agreement, Indivior is generally required to indemnify RB against any tax resulting from the failure of the internal restructuring or the Indivior Demerger to qualify as a tax-free transaction (including such taxes of any third party for which any member of the Group is or becomes liable) if that tax results from (i) an issuance of a significant amount of equity securities of Indivior, a redemption of a significant amount of the equity securities of the Indivior group or the involvement by the Indivior group in other significant acquisitions of equity securities of Indivior (excluding the Indivior Demerger), (ii) other actions or failures to act by the Indivior group, or (iii) any of the representations or undertakings of Indivior referred to in the Indivior Demerger U.S. Tax Agreement being incorrect or violated. The Company is generally required to indemnify Indivior for any tax resulting from the failure of the internal restructuring or the Indivior Demerger to qualify as a tax-free transaction (including such taxes of any third party for which any member of the Indivior group is or becomes liable) if that tax results from (a) the Company's issuance of its equity securities, redemption of its equity securities or involvement in other acquisitions of its equity securities, (b) other actions or failures to act by the Company, or (c) any of the Company's representations or undertakings referred to in the Indivior Demerger U.S. Tax Agreement being incorrect or violated.

MANAGEMENT

Reckitt Benckiser

Board of Directors

Currently, the Board of Directors of Reckitt Benckiser has twelve members – the Chairman, two executive directors and eight non-executive directors. The current members of the Board of Directors are as follows:

Name	Age	Position
Laxman Narasimhan	53	Chief Executive Officer[3]
Christopher Sinclair	69	Chairman[2][3][4]
Jeff Carr	58	Chief Financial Officer
Nicandro Durante	63	Non-Executive Director[2][3][4]
Mary Harris	54	Non-Executive Director[2][3]
Andrew Bonfield	57	Non-Executive Director[1][3]
Mehmood Khan	62	Non-Executive Director[4]
Dr Pamela Kirby	66	Non-Executive Director[1][3][4]
Elane Stock	55	Non-Executive Director[2]
Sara Mathew	64	Non-Executive Director[1]
Warren Tucker	57	Non-Executive Director[1]
Rupert Bondy	58	Senior Vice President, General Counsel/Company Secretary

Notes:

(1) Member of the Audit Committee.

(2) Member of the Remuneration Committee.

(3) Member of the Nomination Committee.

(4) Member of the Corporate Responsibility, Sustainability, Ethics and Compliance Committee.

See "*Information on the Issuers and the Guarantor—Directors and Senior Managers*" for the list of directorships of each of the Directors in the five years prior to the date of this Offering Memorandum.

Laxman Narasimhan – Chief Executive Officer. Laxman Narasimhan was appointed CEO on 1 September 2019. Prior to joining RB, Mr Narasimhan held various senior roles at PepsiCo from 2012 to 2019, including Global Chief Commercial Officer, Chief Executive Officer of Latin America, Europe and Sub-Saharan Africa operations, where he ran the Company's food and beverage businesses across the regions, and Chief Executive Officer of Latin America. Prior to PepsiCo, Mr Narasimhan served as a Director of McKinsey & Company and held various roles from 1993 to 2012. He was also an Advisory Board member of the Jay H. Baker Retailing Centre at The Wharton School of the University of Pennsylvania.

Christopher Sinclair – Chairman. Christopher Sinclair joined our Board of Directors in February 2015. Mr Sinclair was formerly the Executive Chairman of Scandent Holdings and Cambridge Solutions Ltd. He served as the Chairman and Chief Executive Officer of Caribiner International, President and Chief Executive Officer at Quality Foods Centers, Inc and held senior management positions with PepsiCo, including Chairman and Chief Executive Officer of Pepsi Cola Co., and Chairman of PepsiCo International Foods and Beverages. He is currently the Chairman of Mattel Inc.

Jeff Carr – Chief Financial Officer. Jeff Carr joined our Board of Directors in April 2020. Prior to joining RB, Mr Carr was Chief Financial Officer and Management Board member at Ahold Delhaize,

the Dutch retailer operating across Europe and the United States. Before joining Ahold Delhaize, Mr Carr held the role of Chief Financial Officer at First Group plc and easyJet plc and held senior finance roles at Associated British Foods and RB. Mr Carr started his career as a graduate trainee at Unilever. Mr Carr holds a degree in Chemical Engineering from the University of Exeter and is a Chartered Management Accountant.

Nicandro Durante – Senior Independent Director. Nicandro Durante joined our Board of Directors in December 2013 and was appointed as Senior Independent Director in January 2019. Mr Durante joined British American Tobacco in 1981 and held senior positions, including Regional Director for Africa and the Middle East, and was appointed Chief Operating Officer prior to his current appointment. From 2011 to 2019, he served as Chief Executive Officer of British American Tobacco plc.

Mary Harris – Non-Executive Director. Mary Harris joined our Board of Directors as a non- executive director in February 2015. Ms Harris joined the Remuneration Committee in May 2017 and was appointed Chair of the Remuneration Committee in November 2017 and as designated NED for engagement with the Company's workforce in July 2019. Ms Harris was formerly a Partner at McKinsey & Company, with a particular focus on consumer and retail businesses in China, South East Asia and Europe. She is currently serving on the board of directors of ITV plc. She is vice-Chair of the Supervisory Board and Chair of the Remuneration Committee of Unibail-Rodamco-Westfield S.E. She is also a member of the Remuneration Committee of St. Hilda's College, Oxford.

Andrew Bonfield – Non-Executive Director. Andrew Bonfield joined our Board of Directors as a non-executive director in July 2018. Mr Bonfield joined and was appointed the Chair of the Audit Committee in January 2019. Mr Bonfield has been Chief Financial Officer of Caterpillar Inc. since September 2018. He was previously Group CFO of National Grid plc from 2010 to 2018. Prior to this, he held the position of Chief Financial Officer at Cadbury plc and also served as Executive Vice President and Chief Financial Officer at Bristol-Myers Squibb.

Mehmood Khan – Non-Executive Director. Mehmood Khan joined our Board of Directors as a non-executive director in July 2018. Mr Khan has been Chief Executive Officer of Life Biosciences Inc. since April 2019. He was previously Vice Chairman and Chief Scientific Officer, Global Research and Development, at PepsiCo Inc. Mr Khan previously held the position of President, Global Research & Development Centre at Takeda Pharmaceutical Company. He was a faculty member at the Mayo Clinic and Mayo Medical School in Rochester, Minnesota, serving as Consultant Endocrinologist and Director of the Diabetes, Endocrine and Nutritional Trials Unit in the endocrinology division.

Dr Pamela Kirby – Non-Executive Director. Dr Pamela Kirby joined our Board of Directors in February 2015. Dr Kirby is Chair of the Corporate Responsibility, Sustainability, Ethics and Compliance Committee and serves on the Audit Committee and Nomination Committee. She formerly served as Chairman of Scynexis Inc, Chief Executive Officer of Quintiles Transnational Corporation, and held senior positions at AstraZeneca plc and Hoffman-La Roche. She is currently on the Board of Directors of DCC plc, Victrex plc, Hikma Pharmaceuticals PLC and a member of the Supervisory Board of AkzoNobel N.V.

Elane Stock – Non-Executive Director. Elane Stock joined our Board of Directors as a non-executive director in September 2018. Ms Stock was previously Group President at Kimberly-Clark International where she was responsible for business operations in EMEA, Asia Pacific and Latin America. Prior to this, Ms Stock was Global President at Kimberly-Clark Professional with responsibility for the division selling workplace hygiene and safety products. In her earlier career, Ms Stock was a Partner at McKinsey & Company in the U.S. and Ireland.

Sara Mathew – Non-Executive Director. Sara Mathew joined our Board of Directors as a non-executive director in July 2019. Sara was previously Chair and Chief Executive Officer of Dun & Bradstreet. In this role, she led the transformation of the Company into an innovative digital enterprise.

Prior to her role as Chair and Chief Executive Officer, she also served as President and Chief Operating Officer, and Chief Financial Officer where she initiated and managed the redesign of the Company's accounting processes and controls. Prior to her career at Dun & Bradstreet, Ms Mathew spent 18 years at Procter & Gamble serving as CFO of the Baby Care and Pamper Products businesses and Vice President of Finance in Asia. Previously, she served on the boards of Shire Pharmaceuticals Limited, Campbell Soup Company and Avon.

Warren Tucker – Non-Executive Director. Warren Tucker joined our Board of Directors and the Audit Committee in February 2010. Mr Tucker will retire from the Board in May 2020. Mr Tucker was Non-Executive Chairman at Paypoint plc and previously served as Chief Financial Officer of Cobham plc from 2003 until May 2013. He was previously a Non-Executive Director of Thomas Cook Group plc until May 2019. He currently serves as a non-executive director of Survitec Limited and the UK Foreign and Commonwealth Office. Mr. Tucker is also currently the Chairman Elect of TT Electronics plc and is expected to become Chairman at the conclusion of TT Electronics plc's annual general meeting in May 2020.

Rupert Bondy – Senior Vice President, General Counsel/Company Secretary. Rupert Bondy became Company Secretary on 1 January 2017. Mr Bondy was appointed as Senior Vice President, General Counsel and Company Secretary in January 2017. Rupert began his career as a lawyer in private practice. In 1989, he joined the U.S. law firm Morrison & Foerster, working in San Francisco and London, and from 1994 he worked for Lovells in London. He also worked at SmithKline Beecham as Senior Counsel for mergers and acquisitions and other corporate matters, and, after its merger with GlaxoWellcome, was appointed Senior Vice President and General Counsel of GlaxoSmithKline. In 2008, he became Group General Counsel of BP plc, holding that position until he joined RB in January 2017.

Executive Committee

Our Board of Directors has delegated the executive management of our business to the Chief Executive Officer, who has appointed an Executive Committee. The Executive Committee is headed, and its members are appointed, by the Chief Executive Officer. The Executive Committee conducts the day-to-day business operations and serves as our chief operating decision maker. The Executive Committee considers the business principally from a geographical perspective, but with each of the segments managed separately.

The members of our Executive Committee, their ages and current positions, as of the date of this Offering Memorandum, are as follows:

Name	Age	Position
Laxman Narasimhan	53	Chief Executive Officer
Jeff Carr	58	Chief Financial Officer
Kristoffer Licht	43	Chief Transformation Officer President Health and Global Chief Customer Officer, from 1 July 2020
Harold van den Broek	52	Chief Operating Officer, Hygiene Home President Hygiene, from 1 July 2020
Aditya Sehgal	48	Chief Operating Officer, Health President Nutrition, and President China and E-RB, from 1 July 2020
Ranjay Radhakrishnan	49	Chief Human Resources Officer
Rupert Bondy	58	Senior Vice President, General Counsel, Company Secretary

Laxman Narasimhan – See "*—Board of Directors—Laxman Narasimhan – Chief Executive Officer*".

Jeff Carr – See "*—Board of Directors—Jeff Carr – Chief Financial Officer*".

Kristoffer Licht – Mr Licht joined RB in November 2019 in the newly created role of Chief Transformation Officer and as an Executive Committee member. Prior to joining RB, Mr Licht held a number of senior strategic and operational positions at PepsiCo. Most recently he served as Division President in PepsiCo's North American Beverage Business. Prior to this, Mr Licht was a Partner at McKinsey & Company working for over 12 years in the firm's consumer, health and retail practices. Mr Licht will become President Health, and Global Chief Customer Officer on 1 July 2020.

Harold van den Broek – Mr van den Broek joined RB in 2014. He was appointed Chief Operating Officer for the Hygiene Home business unit in December 2019, with responsibility for the overall management of the business unit. Before his current role, Mr van den Broek was the CFO of the Hygiene Home business unit, a position he had held since the formation of the business unit in January 2018. Prior to joining RB, Mr van den Broek worked at Unilever, where he started his career. During his tenure there, he held many senior financial positions spanning categories in developed and emerging markets and corporate roles. Mr van den Broek will become President Hygiene on 1 July 2020.

Aditya Sehgal – Mr Sehgal was appointed Executive Vice President of Infant and Child Nutrition in 2017. He joined Reckitt Benckiser in 1994 as a management trainee and has held positions of increasing responsibility, including General Manager, China, Regional Director North Asia, Global Category Officer for Healthcare and Regional Director North America. On announcement of the acquisition of Mead Johnson, Aditya was appointed Executive Vice President, Infant and Child Nutrition, leading the Mead Johnson division globally. In January 2018, he was appointed EVP Health for Developing Markets and E-commerce. Mr Sehgal became Chief Operating Officer, Health in January 2019, with responsibility for the global operations of the Health business unit. Mr Sehgal will become President Nutrition, and President China and E-RB on 1 July 2020. As part of this role, he will also lead RB's e-commerce and digital marketing/CRM businesses.

Rupert Bondy – See "*—Board of Directors—Rupert Bondy – Senior Vice President, General Counsel/Company Secretary*".

Ranjay Radhakrishnan – Ranjay Radhakrishnan joined RB as Chief Human Resources Officer on 1 March 2020. Mr Radhakrishnan brings with him 27 years of experience in the Human Resources function across different geographies and industries. Prior to joining RB, Mr Radhakrishnan was the Chief Human Resources Officer at InterContinental Hotels Group plc, one of the world's leading hotel companies. Previously Mr Radhakrishnan spent over two decades at Unilever, in a range of senior leadership roles at global, regional and country levels. His last role at Unilever was Executive Vice President Global HR, where he led HR for Unilever's eight regions and four global product categories under a unified global HR leadership role.

Issuers

Reckitt Benckiser Treasury Services plc

Directors

Name	Age	Position
Jonathan Timmis	44	Director (Senior Vice President. Corporate Controller)
John Dixon	64	Director (Senior Vice President, Head of Tax)
Jeff Carr	58	Director (Chief Financial Officer)
Simon Neville	62	Director (Group Treasury Director)

See "*Information on the Issuers and the Guarantor—The Issuers—Directors*" for the list of directorships of each of the Directors in the five years prior to the date of this Offering Memorandum.

Jonathan Timmis – Jonathan Timmis joined RB in 2011. Mr Timmis is currently the Senior Vice President Group Controller and was previously the Regional Finance Director for North America. Prior to RB Mr Timmis worked for SABMiller plc and PwC. Mr Timmis is a Chartered Management Accountant.

John Dixon – John Dixon joined RB in 2016 as Senior Vice President, Head of Tax. Prior to joining RB, John spent 17 years at E&Y as a tax partner and was Head of UK Tax and a member of the firm's management team for eight years up to his retirement from the firm in 2014.

Jeff Carr – See "*—Board of Directors—Jeff Carr – Chief Financial Officer*".

Simon Neville – Simon Neville joined RB in 2013 as Group Treasury Director. Simon is a Fellow of the Chartered Association of Certified Accountants and the Association of Corporate Treasurers. Prior to RB, Simon held senior treasury and CFO level roles in a number of diverse international groups including Tesco, Tullett Prebon, the Jardine Matheson Group and TOTAL.

Reckitt Benckiser Treasury Services (Nederland) B.V.

Directors

Name	Age	Position
Simon Neville	62	Managing Director (Group Treasury Director)
John Dixon	64	Director (Senior Vice President, Head of Tax)
Jeff Carr	58	Director (Chief Financial Officer)

See "*Information on the Issuers and the Guarantor—The Issuers—Directors*" for the list of directorships of each of the Directors in the five years prior to the date of this Offering Memorandum.

Simon Neville – See "*—Reckitt Benckiser Treasury Services plc—Directors—Simon Neville*".

John Dixon – See "*—Reckitt Benckiser Treasury Services plc—Directors—John Dixon*".

Jeff Carr – See "*—Board of Directors—Jeff Carr – Chief Financial Officer*".

Corporate Governance

The UK Corporate Governance Code ("**Corporate Governance Code**") issued by the Financial Reporting Council ("**FRC**") in effect for financial periods beginning on or after 1 October 2014, was applicable to Reckitt Benckiser throughout FY 2019.

The Board is responsible for the overall leadership of the Group, focusing on its governance with the highest regard to the principles of the Corporate Governance Code. As part of its responsibility, the Board oversees the development of the Company's strategic aims, ensures appropriate processes are in place to manage risk and monitors the Company's financial and operational performance against objectives.

Areas of non-compliance (strict interpretation)

Our Board of Directors recognises that the objective of the Corporate Governance Code is to facilitate management's delivery of business success in a transparent and responsible manner. The Corporate Governance Code does not impose a rigid set of rules and recognises that certain actions and behaviours

do not automatically imply poor organisational governance. Reckitt Benckiser complied with the Corporate Governance Code throughout FY 2019.

We believe that following the detailed performance evaluation undertaken during 2019, each Director's independence of thought and actions was assured and all decisions were taken to promote the success of the RB Group as a whole.

The Board has established four Board committees to assist in the execution of its responsibilities. These are the Nomination Committee, Audit Committee, Remuneration Committee and the Corporate Responsibility, Sustainability, Ethics and Compliance Committee. Each committee operates under terms of reference approved by the Board. The Board has also established two supporting management committees, the Disclosure Committee, which ensures accuracy and timeliness of disclosure of financial and other public announcements, and the Executive Committee, which is RB's key management committee.

Nomination Committee

The Nomination Committee comprises the Chairman, the Senior Independent Director, the Chief Executive Officer and the Chairs of the Remuneration and CRSEC Committees. The Board of Directors has delegated authority to the Nomination Committee through its terms of reference. Its key objective is to make recommendations to the Board on suitable candidates for appointment to the Board and its committees and regularly review and refresh their composition to ensure that they comprise individuals with the necessary skills, knowledge and experience to effectively discharge their responsibilities.

Audit Committee

The Audit Committee comprises four independent non-executive Directors: Andrew Bonfield, Chairman since January 2019, Dr. Pamela Kirby, Sara Mathew and Warren Tucker. The Audit Committee: (a) monitors the adequacy and effectiveness of the system of internal control; (b) reviews compliance procedures and the RB Group's overall risk framework (including the RB Group's whistleblowing arrangements); (c) considers reports on Internal Audit's activities, significant legal claims and regulatory issues; (d) reviews the interim and full year financial statements before submission to the full Board of Directors; (e) makes recommendations to the Board of Directors regarding the external auditor and their terms of appointment; (f) reviews and monitors the external auditor's independence and services supplied and the objectivity and the effectiveness of the audit process; and (g) considers operational risk and control presentations from management covering assurance providers, geographical and functional areas.

Remuneration Committee

The Remuneration Committee is chaired by Mary Harris and comprises four other members. Nicandro Durante, Christopher Sinclair and Elane Stock are considered independent under the Corporate Governance Code. The Remuneration Committee assists the Board in fulfilling its oversight responsibility by ensuring that Remuneration Policy and practices reward fairly and responsibly; are linked to corporate and individual performance; and take account of the generally accepted principles of good governance.

Corporate Responsibility, Sustainability, Ethics and Compliance Committee

The Corporate Responsibility, Sustainability, Ethics and Compliance Committee comprises four members, Dr Pamela Kirby, its Chair, Christopher Sinclair, Nicandro Durante and Mehmood Khan. The Corporate Responsibility, Sustainability, Ethics and Compliance Committee was established in July 2016 to support the Board in reviewing, monitoring and assessing the Company's approach to

responsible, sustainable, ethical and compliant corporate conduct and to assist the Board in upholding its values of honesty and respect.

INFORMATION ON THE ISSUERS AND THE GUARANTOR

The Issuers

Reckitt Benckiser Treasury Services plc

Reckitt Benckiser Treasury Services plc was incorporated as a private limited company under the laws of England and Wales on 9 October 2006 with registered number 05960843 and was re-registered as a public limited company on 7 September 2007. Its principal executive offices and registered office are located at 103-105 Bath Road, Slough, Berkshire SL1 3UH, United Kingdom. The telephone number of its registered office is +44 (0)1753 217800.

The principal legislation under which Reckitt Benckiser Treasury Services plc operates is the Companies Act and regulations made thereunder.

The principal activity of Reckitt Benckiser Treasury Services plc is that of a finance subsidiary. No change in Reckitt Benckiser Treasury Services plc's activities is envisaged in the foreseeable future.

Reckitt Benckiser Treasury Services plc is part of the Group. The risks that the Group faces are set out in "*Risk Factors*," and its material contracts are disclosed under "*Material Contracts*". The sole shareholder of Reckitt Benckiser Treasury Services plc is Reckitt Benckiser plc, and the Guarantor is the sole shareholder of Reckitt Benckiser plc.

The Directors of Reckitt Benckiser Treasury Services plc are Jeff Carr, John Dixon, Jonathan Timmis and Simon Neville. The business address of each of the Directors is 103-105 Bath Road, Slough, Berkshire SL1 3UH, United Kingdom.

KPMG LLP, whose address is 15 Canada Square, Canary Wharf, London E14 5GL, is the auditor of Reckitt Benckiser Treasury Services plc. KPMG LLP is a member firm of the Institute of Chartered Accountants in England and Wales.

Directors

The Directors of Reckitt Benckiser Treasury Services plc and their biographies are set out in "*Management—Issuers—Reckitt Benckiser Treasury Services plc——Directors*". The business address of each of the Directors is 103-105 Bath Road, Slough, Berkshire SL1 3UH, United Kingdom.

In addition to their directorships of Reckitt Benckiser Treasury Services plc and companies in the Group, the Directors of Reckitt Benckiser Treasury Services plc hold or have held the following directorships and/or are or have been partners of the following partnerships in the five years prior to the date of this Offering Memorandum:

Name(*)	Position	Company/Partnership	Held (Y/N)
Jeff Carr	Chief Financial Officer and Management Board Director	Koninklijke Ahold Delhaize NV	N
	Non-Executive Director	Kingfisher plc	Y
John Dixon	N/A	No past directorships	N/A
Jonathan Timmis	N/A	No past directorships	N/A
Simon Neville	Director	Centrium Freehold Limited (06028707)	N
	Director	Affinity Sutton Community Foundation (07156509)	N
	Director	Affinity Sutton Funding Limited (05589011)	N

Director	CWC Enterprises Limited (02924440)	N
Director	Nasco Treasury Services Limited (08567130)	N

At the date of this Offering Memorandum, none of the Directors of Reckitt Benckiser Treasury Services plc has at any time in the five years preceding the date of this Offering Memorandum:

(a) except as disclosed above, been a director or partner of any companies or partnerships;

(b) had any convictions in relation to fraudulent offences (whether spent or unspent);

(c) been adjudged bankrupt or entered into an individual voluntary arrangement;

(d) been a director of any company that has entered into receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors;

(e) been a partner or senior manager in any partnership that has entered into any compulsory liquidation, administration or partnership voluntary arrangement of such partnership;

(f) owned any assets which have formed the subject of any receivership or has been a partner of a partnership that has had any assets thereof being the subject of a receivership;

(g) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including any designated professional body); or

(h) ever been disqualified by a court from acting as a director or other officer of a company or from acting in the management or conduct of the affairs of any company.

None of the Directors has any family relationship with another Director. None of the Directors has any potential conflicts of interest between their duties to Reckitt Benckiser Treasury Services plc and their private interests or duties.

Reckitt Benckiser Treasury Services (Nederland) B.V.

Reckitt Benckiser Treasury Services (Nederland) B.V. was incorporated as a private limited liability company under the laws of the Netherlands on 20 April 2020 with registered number 77869540. Its principal executive offices and registered office are located at Schiphol Boulevard 267, 1118 BH Schiphol, the Netherlands. The telephone number of its registered office is +31 202 066 920.

The principal legislation under which Reckitt Benckiser Treasury Services (Nederland) B.V. operates is Dutch law and regulations made thereunder.

The principal activity of Reckitt Benckiser Treasury Services (Nederland) B.V. is that of a finance subsidiary. Reckitt Benckiser Treasury Services (Nederland) B.V. has not yet commenced business operations. No change in Reckitt Benckiser Treasury Services (Nederland) B.V.'s activities is envisaged in the foreseeable future.

Reckitt Benckiser Treasury Services (Nederland) B.V. was incorporated on 20 April 2020 and no financial statements have been prepared for such entity as of the date of this Offering Memorandum.

Reckitt Benckiser Treasury Services (Nederland) B.V. is part of the Group. The risks that the Group faces are set out in "*Risk Factors*," and its material contracts are disclosed under "*Material Contracts*".

The sole shareholder of Reckitt Benckiser Treasury Services (Nederland) B.V. is Reckitt Benckiser plc, and the Guarantor is the sole shareholder of Reckitt Benckiser plc.

The Directors of Reckitt Benckiser Treasury Services (Nederland) B.V. are Simon Neville, John Dixon and Jeff Carr. The business address of each of the Directors is Schiphol Boulevard 267, 1118 BH Schiphol, the Netherlands.

Directors

The Directors of Reckitt Benckiser Treasury Services (Nederland) B.V. and their biographies are set out in "*Management—Issuers—Reckitt Benckiser Treasury Services (Nederland) B.V.—Directors*". The business address of each of the Directors is Schiphol Boulevard 267, 1118 BH Schiphol, the Netherlands.

In addition to their directorships of Reckitt Benckiser Treasury Services (Nederland) B.V. and companies in the Group, the Directors of Reckitt Benckiser Treasury Services (Nederland) B.V. hold or have held the following directorships and/or are or have been partners of the following partnerships in the five years prior to the date of this Offering Memorandum:

Name(*)	Position	Company/Partnership	Held (Y/N)
Simon Neville	Director	Centrium Freehold Limited (06028707)	N
	Director	Affinity Sutton Community Foundation (07156509)	N
	Director	Affinity Sutton Funding Limited (05589011)	N
	Director	CWC Enterprises Limited (02924440)	N
	Director	Nasco Treasury Services Limited (08567130)	N
Jeff Carr	Chief Financial Officer and Management Board Director	Koninklijke Ahold Delhaize NV	N
	Non-Executive Director	Kingfisher plc	Y
John Dixon	N/A	No past directorships	N/A

At the date of this Offering Memorandum, none of the Directors of Reckitt Benckiser Treasury Services (Nederland) B.V. has at any time in the five years preceding the date of this Offering Memorandum:

(a) except as disclosed above, been a director or partner of any companies or partnerships;

(b) had any convictions in relation to fraudulent offences (whether spent or unspent);

(c) been adjudged bankrupt or entered into an individual voluntary arrangement;

(d) been a director of any company that has entered into receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors;

(e) been a partner or senior manager in any partnership that has entered into any compulsory liquidation, administration or partnership voluntary arrangement of such partnership;

(f) owned any assets which have formed the subject of any receivership or has been a partner of a partnership that has had any assets thereof being the subject of a receivership;

(g) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including any designated professional body); or

(h) ever been disqualified by a court from acting as a director or other officer of a company or from acting in the management or conduct of the affairs of any company.

None of the Directors has any family relationship with another Director. None of the Directors has any potential conflicts of interest between their duties to Reckitt Benckiser Treasury Services (Nederland) B.V. and their private interests or duties.

The Guarantor

Reckitt Benckiser Group plc was incorporated on 6 June 2007 with the name Trushelfco (Number 3293) Limited and registered in England and Wales as a private limited company under the Companies Act with registered number 6270876. Its registered office is located at 103-105 Bath Road, Slough, Berkshire SL1 3UH, United Kingdom and the telephone number of its registered office is +44 (0)1753 217800.

On 24 July 2007, the Guarantor's name was changed from Trushelfco (Number 3293) Limited to "Reckitt Benckiser Group Limited" and, on 30 August 2007, it was re-registered as a public limited company.

The principal legislation under which Reckitt Benckiser operates is the Companies Act and regulations made thereunder.

The principal activity of Reckitt Benckiser is to serve as the listed holding company of the Group. As such, it has no independent business operations, and is dependent on dividends from its subsidiaries.

KPMG LLP, whose address is 15 Canada Square, Canary Wharf, London E14 5GL, has been the auditor of Reckitt Benckiser since 1 January 2018. KPMG LLP is a member firm of the Institute of Chartered Accountants in England and Wales.

Subsidiaries

The following table sets forth our subsidiaries with an annual net revenue over £250 million. Each subsidiary is wholly owned (other than Mead Johnson Nutritionals (China) Limited, which is a joint venture 88.89 per cent. owned by the RB Group), and its issued share capital is fully paid.

Name	Incorporated in	Nature of Business
Reckitt Benckiser LLC	United States	Hygiene
RB Health US LLC	United States	Health
Mead Johnson & Company LLC	United States	Nutrition
RB UK Commercial Limited	United Kingdom	Health, Nutrition
RB UK Hygiene Home Commercial Limited	United Kingdom	Hygiene
Reckitt Benckiser (Brasil) Limitada	Brazil	Hygiene
Mead Johnson Nutricionales de Mexico, S. de R.L. de C.V.	Mexico	Nutrition
Reckitt Benckiser (India) Pte Limited	India	Health, Hygiene
RB & Manon Business c. Ltd	China	Health
Mead Johnson Nutritionals (China) Limited	China	Nutrition

Directors and Senior Managers

The Directors of Reckitt Benckiser and their biographies are set out in "*Management——Reckitt Benckiser—Board of Directors*". The business address of each of the Directors is 103-105 Bath Road, Slough, Berkshire SL1 3UH, United Kingdom.

In addition to their directorships of Reckitt Benckiser and companies in the Group, the Directors of Reckitt Benckiser hold or have held the following directorships and/or are or have been partners of the following partnerships in the five years prior to the date of this Offering Memorandum:

Name	Position	Company/Partnership	Held (Y/N)
Laxman Narasimhan	Trustee	Brookings Institute	Y
	Member	Council on Foreign Relations	Y
	Advisory Board member	Jay H. Baker Retailing Centre at the Wharton School, University of Pennsylvania	N
Christopher Sinclair	Chairman	Mattel Inc	N
	CEO	Mattel Inc	N
Jeff Carr	Chief Financial Officer and Management Board Director	Koninklijke Ahold Delhaize NV	N
	Non-Executive Director	Kingfisher plc	Y
Nicandro Durante	Chairman	TIM Participações S.A	Y
	CEO	BAT Industries plc	N
	Director	British American Tobacco (NGP) Limited	N
	Director	British American Tobacco (2012) Limited	N
	Director	British American Tobacco (Holdings) Limited	N
	Director	Weston (2009) Limited	N
	Director	British American Tobacco plc	N
Mary Harris	Non-executive Director	ITV plc	Y
	Member of Remuneration Committee	St. Hilda's College, Oxford University	Y
	Member of Supervisory Board	Unibail-Rodamco SE	Y
	Member of Supervisory Board	TNT NV/TNT Express NV	N
	Member of Supervisory Board	Scotch & Soda NV	N
	Non-Executive Director	J Sainsbury plc	N
Andrew Bonfield	Chief Financial Officer	Caterpillar Inc	Y
	Chairman	Hundred Group of Finance Directors	N
	Chief Financial Officer	National Grid plc	N
Mehmood Khan	Chief Executive Officer	Life Biosciences Inc.	Y
	Director	CorMedix Inc	Y
	Director	Indigo Agriculture Inc	Y

	Vice Chairman and Chief Scientific Officer, Global Research and Development	PepsiCo Inc.	N
Dr Pamela Kirby	Non-executive Director	Victrex plc	N
	Non-executive Director	DCC plc	Y
	Member of Supervisory Board	AkzoNobel N.V	Y
	Non-Executive Director	Kings Health Academic Partnership	Y
	Chairman	Scynexis Inc	N
	Director	Hikma Ventures Limited	Y
	Director	Hikma Pharmaceuticals plc	Y
Elane Stock	Director	Yum! Brands, Inc	Y
	Director	Equifax Inc.	Y
Sara Mathew	Chairman	Freddie Mac (Federal Home Loan Mortgage Corp)	Y
	Director	State Street Corporation	Y
	Board Member and Chair of Audit Committee	Campbell Soup Company	N
	Board Member and Chair of Audit Committee	Shire Pharmaceuticals Limited	N
	Advisory Board Member	Zurich Insurance Company Ltd	N
	Board Member	Avon	N
Warren Tucker	Non-executive Director	Thomas Cook Group plc	N
	Non-executive Director	Survitec Topco Limited	N
	Chairman	TT Electronics plc	Y
	Non-Executive Director	Tate & Lyle plc	Y
	Non-executive Director	UK Foreign & Commonwealth Office	Y
	Trustee	CEPP (Pension Plan)	N
	Vice Chair	Wyvern St Edmunds (Academy School)	N
	Non-executive Director	Paypoint plc	N

At the date of this Offering Memorandum, none of the Directors of Reckitt Benckiser has at any time in the five years preceding the date of this Offering Memorandum:

(a) except as disclosed above, been a director or partner of any companies or partnerships;

(b) had any convictions in relation to fraudulent offences (whether spent or unspent);

(c) been adjudged bankrupt or entered into an individual voluntary arrangement;

(d) been a director of any company that has entered into receivership, compulsory liquidation, creditors' voluntary liquidation, administration, company voluntary arrangement or any composition or arrangement with that company's creditors generally or with any class of its creditors;

(e) been a partner or senior manager in any partnership that has entered into any compulsory liquidation, administration or partnership voluntary arrangement of such partnership;

(f) owned any assets which have formed the subject of any receivership or has been a partner of a partnership that has had any assets thereof being the subject of a receivership;

(g) been subject to any official public incrimination and/or sanctions by any statutory or regulatory authority (including any designated professional body); or

(h) ever been disqualified by a court from acting as a director or other officer of a company or from acting in the management or conduct of the affairs of any company.

None of the Directors has any family relationship with another Director. None of the Directors has any potential conflicts of interest between his/her duties to Reckitt Benckiser and his/her private interests or other duties.

Remuneration and Benefits of Directors

Reckitt Benckiser operates a global remuneration policy for its senior executives. The remuneration is heavily weighted towards long-term variable equity components (performance-vesting shares and options) and is reviewed every three years.

Executive Directors' remuneration comprises base salary and benefits and variable remuneration incentives.

The Executive Directors and senior executives participate in share-based incentive schemes.

Directors' Service Agreements and Emoluments

The aggregate Executive Directors' total remuneration was £6,769,187 in 2019 (2018: £18,759,815).

Variable pay is a major element of Reckitt Benckiser's current Executive Directors' and senior executives' total compensation package. The Executive Directors' compensation package comprises a base salary, an annual cash bonus and share-based long term incentives. If performance is unsatisfactory, no cash bonuses will be paid and long-term incentives will not vest.

Executive Directors

Service agreements

The Chief Executive Officer and Chief Financial Officer service contracts are rolling and terminable on twelve months' notice. In the event that there is a termination of either service contract, the compensation commitments in respect of each contract could amount to one year's remuneration based on base salary, benefits in kind and pension rights during the notice period. The termination payments may take the form of payments in lieu of notice.

In the event of an Executive Director leaving Reckitt Benckiser, payments may be made under the annual bonus plan. In such an instance, if the termination is by reason of voluntary resignation or 'for cause', no bonus will be made for the financial year in which employment terminates. In all other circumstances, any bonus due will be paid after the end of the relevant financial year, paid on a pro-rata basis, taking account of the period actually worked. The LTIP (defined below) rules provide for vesting in certain circumstances (in line with best practice), in the event that an Executive were to leave Reckitt Benckiser.

Upon a change of control of Reckitt Benckiser, unvested LTIP awards will vest immediately, but only to the extent that any performance conditions have been satisfied, unless the Remuneration Committee determines that the conditions should not apply. Awards will be pro- rated to take into account the

proportion of the performance period not completed, unless otherwise decided by the Remuneration Committee.

Base salaries

Base salaries are reviewed annually with effect from 1 January of each year. Increases to base salaries are determined by reference to competitive practice in Reckitt Benckiser's remuneration peer group, individual performance, and in the context of pay considerations across the Group as a whole.

Annual cash bonus

The annual cash bonus is closely linked to the achievement of pre-determined targets geared to above-industry performance. In 2019, the performance measures in the annual bonus plan for executive directors were Net Revenue Growth and adjusted profit before income tax growth. Performance targets are set each year by the Remuneration Committee, with reference to prevailing growth rates in Reckitt Benckiser's peer group, and across the healthcare and fast-moving consumer goods industries more broadly. For 2019, the annual cash bonus plan remains unchanged.

Long-term incentives

Reckitt Benckiser's Long Term Incentive Plan ("**LTIP**") provides long-term incentives that comprise a mix of share options and performance shares. Both the levels and combination of share options and performance shares are reviewed annually, with reference to market data and the associated cost to Reckitt Benckiser.

The appropriate value of the long-term incentives is determined by benchmarking the 'fair' value of total remuneration for executives against Reckitt Benckiser's peer group and deducting base salary and annual cash bonus. Reckitt Benckiser's long-term incentives (and those of our peer group) are valued using an expected value methodology (Black-Scholes) to enable like-for- like comparisons.

LTIP award sizes are calibrated as a fixed number. The Remuneration Committee adjusts the fixed number of shares to ensure that the fair value of total remuneration is appropriately positioned relative to Reckitt Benckiser's pay peer group.

Long-term incentives vest subject to the achievement of earnings per share (measured on an adjusted diluted basis, as shown in our financial statements) growth targets that exceed industry performance levels. The vesting of LTIP awards granted in December 2013 are subject to earnings per share performance over three consecutive financial years, starting with 2014. While the structure for the awards made to Executive Directors remains in line with the approved Remuneration Policy, the Remuneration Committee made a significant reduction in the size of the awards granted for the year ended 31 December 2019.

Reckitt Benckiser executive pension plan

The Chief Executive Officer and the Chief Financial Officer receive cash in lieu of pension contributions at the rates of 10 per cent. and 10 per cent. of pensionable salary, respectively.

Executive share ownership policy

Executive Directors and other senior executives are subject to a compulsory share ownership policy. Executives, including those newly recruited or promoted into senior executive positions, are allowed eight years to attain these shareholdings and targets are pro-rated until they are met. If an executive does not meet the requirements within the required time period, the Remuneration Committee will not make any further awards of performance shares or options to the executive until the targets have been met.

The Remuneration Committee, may, in its discretion, reduce the levels of grants and awards, if in its opinion, the executive is not making sufficient progress towards satisfying the share ownership requirements.

Non-Executive Directors

Non-Executive Directors do not have service agreements but are engaged on the basis of a letter of appointment. They are subject to re-election annually. Fee levels are determined by the Board every two years. Remuneration consists of fees for their services in connection with the Board and Board Committee meetings, and the Senior Independent Director and Chairs of the Audit, Remuneration and Corporate Responsibility, Sustainability, Ethics and Compliance Committees also receive an additional fee. Non-Executive Directors are not eligible to participate in any of our bonus, share option, long-term incentive or pension schemes. An element of the basic fee is however, paid in Reckitt Benckiser shares.

Other than as described above, no benefit, payment or compensation of any kind is payable to any Director upon termination of his or her employment.

PRINCIPAL SHAREHOLDERS

As of 30 April 2020, the issued share capital of the Company was 736,535,179 ordinary shares. The total number of voting rights at this date was 710,086,701.

As of 30 April 2020 (being the last practicable date prior to the publication of this Offering Memorandum), insofar as it is known to the Company, the name of each person, other than a Director, who holds voting rights (within the meaning of Chapter 5 of the Disclosure and Transparency Rules) representing 3 per cent. or more of the total voting rights in respect of the ordinary shares of the Company is as follows:

Name	Number of Ordinary Shares	% of voting rights
Massachusetts Financial Services Company and/or its subsidiaries[1]	49,321,030	5.00+%[2]

Notes:

(1) Date of last TR-1 Notification: 16 January 2013.

(2) Under a s.793 Companies Act 2006 request, Massachusetts Financial Services Company confirmed on 3 February 2020 that its aggregate holding was 49,321,030 shares.

Except as disclosed above, the Directors are not aware of any holdings of voting rights (within the meaning of Chapter 5 of the Disclosure and Transparency Rules) that represent 3 per cent. or more of the total voting rights in respect of the issued ordinary share capital of the Company.

So far as the Company is aware, no person or persons, directly or indirectly, jointly or severally, exercises or could exercise control over the Company.

There are no differences between the voting rights enjoyed by the shareholders described in this section and those enjoyed by any other holder of Ordinary Shares.

RELATED PARTY TRANSACTIONS

Within the Health segment, there are symmetrical put and call options existing over the non-controlling shareholdings in RB & Manon Business Co. Ltd, RB & Manon Business Limited and RB (China Trading) Limited. In 2018, the parties agreed to extend these options to 31 December 2023. In the event that the options are not exercised in accordance with the agreement, they are automatically extended for a further six years.

Within the Hygiene Home segment, there are symmetrical put and call options existing over the non-controlling shareholdings in RB (Hygiene Home) HK Limited, RB & Manon Hygiene Home (HK) Limited and RB & Manon Hygiene Home (Shanghai) Limited. These options were first agreed in 2019 and are currently due to expire on 31 December 2024. In the event that the options are not exercised in accordance with the agreement, they are automatically extended for a further six years.

At 31 December 2019, the present value of these put option liabilities was £135 million (2018: £148 million).

FORM OF THE NOTES

Terms used but not defined herein shall have the meaning ascribed to them in "*Description of Euro Notes*" and "*Description of Pound Sterling Notes*", as applicable.

Euro Notes

The 2026 Euro Notes and 2030 Euro Notes will initially be represented by one or more 2026 Euro Global Notes and 2030 Euro Notes, respectively, in registered form which will be deposited with a common safekeeper for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee for such common safekeeper on the Issue Date.

The Euro Notes are intended to be held in a manner which will allow for them to be eligible for the CSPP of the ECB, which commenced in June 2016. However, this does not necessarily mean that the Euro Notes will be recognized by the ECB for the purposes of the CSPP either upon issue or at any times during their life, as such recognition depends upon satisfaction of all of the ECB's eligibility criteria.

Depositing the Euro Global Notes with a common safekeeper does not necessarily mean that the Euro Notes will be recognised as eligible collateral for Eurosystem monetary policy and intra-day credit operations by the Eurosystem either upon issue or at any or all times during their life. Such recognition will depend upon the ECB being satisfied that Eurosystem eligibility criteria have been met.

The Euro Global Notes are subject to restrictions on transfer and will bear legends detailing such restrictions as set out under "*Plan of Distribution*" and "*Transfer Restrictions*". The Euro Global Notes will be exchangeable for definitive Notes only in limited circumstances, as more fully described herein.

Persons holding beneficial interests in the Euro Global Notes will be entitled or required, as the case may be, under the circumstances described in the section "*Description of Euro Notes—Form and Denomination*", to receive physical delivery of definitive 2026 Euro Notes or 2030 Euro Notes. No beneficial owner of an interest in a 2026 Euro Global Note or 2030 Euro Global Note will be able to exchange or transfer that interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case, to the extent applicable.

Pound Sterling Notes

The Pound Sterling Notes will initially be represented by one or more Pound Sterling Global Notes in registered form which will be deposited with a common depositary for Euroclear and Clearstream, Luxembourg and registered in the name of a nominee for such common depositary on the Issue Date.

The Pound Sterling Global Notes are subject to restrictions on transfer and will bear legends detailing such restrictions as set out under "*Plan of Distribution*" and "*Transfer Restrictions*". The Pound Sterling Global Notes will be exchangeable for definitive Notes only in limited circumstances, as more fully described herein.

Persons holding beneficial interests in the Pound Sterling Global Notes will be entitled or required, as the case may be, under the circumstances described in the section "*Description of Pound Sterling Notes—Form and Denomination*", to receive physical delivery of definitive Pound Sterling Notes. No beneficial owner of an interest in a Pound Sterling Global Note will be able to exchange or transfer that interest, except in accordance with the applicable procedures of Euroclear and Clearstream, Luxembourg, in each case, to the extent applicable.

DESCRIPTION OF EURO NOTES

You will find definitions of certain capitalised terms used in this "Description of Euro Notes" under the heading "—Governing Law—Certain Definitions". Certain capitalised terms used in this "Description of Euro Notes" may have different definitions to the same term used in other sections of this Offering Memorandum. The following is a summary of the material provisions of the Indenture, the Notes and the Guarantees. This summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Indenture, the Notes and the Guarantees. Copies of the Indenture, the Notes and the Guarantees will be available for inspection during normal business hours at any time after the closing date of the offering of the Notes at the New York offices of the Trustee, which are currently located at 60 Wall Street, 24th Floor, New York, NY 10005. Any capitalised term used herein but not defined shall have the meaning assigned to such term in the Indenture. For purposes of this "Description of Euro Notes", references to the "Issuer" refer only to Reckitt Benckiser Treasury Services (Nederland) B.V.

General

On 19 May 2020 (the "**Issue Date**"), Reckitt Benckiser Treasury Services (Nederland) B.V., a private limited liability company incorporated under the laws of the Netherlands (the "**Issuer**"), will issue €850 million in aggregate principal amount and €850 million in aggregate principal amount, comprising the following:

- €850 million 0.375 per cent. Senior Notes due 2026 (the "**2026 Euro Notes**"); and
- €850 million 0.750 per cent. Senior Notes due 2030 (the "**2030 Euro Notes**" and together with the 2026 Euro Notes, the "**Notes**").

The Notes will be issued on the Issue Date.

The Notes will be issued under an indenture (the "**Indenture**") dated as of the Issue Date among, *inter alia*, the Issuer, Reckitt Benckiser Group plc, a public limited company incorporated under the laws of England and Wales (the "**Guarantor**") and Deutsche Bank Trust Company Americas, as trustee (the "**Trustee**"), principal paying agent (the "**Principal Paying Agent**"), London paying agent ("**London Paying Agent**") and registrar (the "**Registrar**").

The Indenture is not required to be nor will it be qualified under the U.S. Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**"), and will not incorporate by reference any of the provisions of the Trust Indenture Act. Consequently, the Holders will not be entitled to the protections provided under such Act to holders of debt securities issued under a qualified indenture, including those requiring the Trustee to resign in the event of certain conflicts of interest and to inform the Holders of certain relationships between it and the Issuer or the Guarantor. In this "*Description of Euro Notes*," the terms "Holder," "Noteholder" and other similar terms refer to a "registered holder" of the Notes, and not to a beneficial owner of a book-entry interest in any Notes, unless the context otherwise clearly requires.

Certain terms used in this description are defined under the caption "*——Governing Law—Certain Definitions*." Defined terms used in this description but not defined under "*—Governing Law—Certain Definitions*" will have the meanings assigned to them in the applicable Indenture.

The Indenture will contain provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified to its satisfaction.

Principal and Maturity

The Issuer will issue €850 million initial aggregate principal amount of the 2026 Euro Notes and €850 million initial aggregate principal amount of the 2030 Euro Notes. The 2026 Euro Notes will mature on 19 May 2026. The 2030 Euro Notes will mature on 19 May 2030.

The Notes will be unsecured and unsubordinated obligations of the Issuer and will be unconditionally guaranteed on a senior, unsecured basis by the Guarantor (the "**Guarantees**"). In addition, pursuant to a deed poll guarantee dated 19 May 2020 (the "**Deed Poll**"), Reckitt Benckiser Treasury Services plc will be unconditionally and irrevocably guaranteeing the obligations of Reckitt Benckiser Treasury Services (Nederland) B.V. in respect of the Euro Notes ("**the Euro Notes Intercompany Guarantee**"). The Euro Notes Intercompany Guarantee is provided as a primary guarantee only in respect of the Euro Notes issued by Reckitt Benckiser Treasury Services (Nederland) B.V. and it is in addition to and is not in any way prejudiced by any other guarantee or security held by holders of the Euro Notes, including the Guarantees. The Euro Notes Intercompany Guarantee will terminate automatically once any obligations of Reckitt Benckiser Treasury Services (Nederland) B.V. in respect of the Euro Notes have been unconditionally and irrevocably paid and discharged in full.

Interest

The 2026 Euro Notes will bear interest at 0.375 per cent. per annum, from and including the Issue Date or from the most recent interest payment date to which interest has been paid or provided for.

The 2030 Euro Notes will bear interest at 0.750 per cent. per annum, from and including the Issue Date or from the most recent interest payment date to which interest has been paid or provided for.

Interest on the 2026 Euro Notes is payable annually in arrears on 19 May of each year, commencing 19 May 2021. Interest on the 2030 Euro Notes is payable annually in arrears on 19 May of each year, commencing 19 May 2021. Interest on the Notes will be computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the date from which interest begins to accrue for the period (or from 19 May 2020 if no interest has been paid on the Notes) to but excluding the next scheduled interest payment date. If the date on which any interest payment or principal payment is to be made is not a Business Day, such payment will be made on the next day which is a Business Day at the place of payment of such interest or principal without any further interest or other amounts being paid or payable in connection therewith.

So long as the Notes remain in book-entry only form, the applicable record date for each interest payment date will be the close of business on the business day before the applicable interest payment date. If the Notes are not in book-entry only form, the applicable record date for each interest payment date will be the close of business on the fifteenth calendar day (whether or not a business day) before the applicable interest payment date.

Paying Agent and Registrar for the Notes

The Issuer will maintain one or more paying agents (each a "**Paying Agent**") for the Notes in New York City. The initial Principal Paying Agent will be Deutsche Bank Trust Company Americas, in New York City.

The Issuer will also maintain one or more registrars (each a "**Registrar**") in New York City. The initial Registrar will be Deutsche Bank Trust Company Americas for the Notes. The Issuer will also maintain a transfer agent (the "**Transfer Agent**") in New York City. The initial Transfer Agent will be Deutsche Bank Trust Company Americas for the Notes. The Registrar and the Transfer Agent will each maintain a register reflecting ownership of the applicable Definitive Notes (as defined herein) outstanding from time to time and facilitate transfers of the applicable Definitive Notes on behalf of the Issuer.

Form and Denomination

Deutsche Bank Aktiengesellschaft, HSBC Bank plc, J.P. Morgan Securities plc and Morgan Stanley & Co. International plc, as representatives of the several initial purchasers (the "**Initial Purchasers**"), propose to resell the Notes in registered form to certain institutions in the United States in reliance upon Rule 144A under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and to non-U.S. persons located outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. The Notes sold in reliance on Rule 144A may not be sold or otherwise transferred except pursuant to registration under the Securities Act or in accordance with Rule 144A or pursuant to Rule 904 of Regulation S thereunder or in a resale transaction that is otherwise exempt from such registration requirements, and will bear a legend to this effect. The Notes sold in reliance on Regulation S may not be sold or otherwise transferred except pursuant to registration under the Securities Act or pursuant to Rule 904 of Regulation S thereunder or in a resale transaction that is otherwise exempt from such registration requirements, and will bear a legend to this effect.

The Notes will be issued in fully registered form and only in denominations of €100,000 and integral multiples of €1,000 in excess thereof. The Notes will:

(i) if offered and sold in reliance on Regulation S, initially be represented by a global note in registered form (the "**Regulation S Global Note**"); or

(ii) if offered and sold in reliance on Rule 144A under the Securities Act, initially be represented by one or more global notes in registered form (the "**Rule 144A Global Notes**" and, together with the Regulation S Global Note, the "**Global Notes**").

Each Global Note will be deposited with a common safekeeper for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and registered in the name of a nominee for such common safekeeper. Each Global Note will be in substantially the form (subject to completion) scheduled to the Indenture. Interests in Global Notes may be exchanged for definitive Notes in the manner, and subject to the conditions, set out in this section, "*—Form and Denomination*".

Interests in a Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes in definitive form.

Title

Subject as set out below, title to the Notes passes by registration in the register (the "**Register**"), which is kept by the Registrar.

The Holder of any Note will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by the Global Note, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of

Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Registrar and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the registered holder of the Global Note shall be treated by the Issuer, the Registrar and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the Global Note and the expressions "**Noteholder**" and "**Holder**" and related expressions shall be construed accordingly.

Transfer of Registered Notes

Transfers of beneficial interests in Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Global Note only in amounts of €100,000 and integral amounts of €1,000 in excess thereof (each a "**Specified Denomination**") and only in accordance with the rules and operating procedures for the time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Indenture.

Subject as provided in this section, upon the terms and subject to the conditions set forth in the Indenture, a Note in definitive form may be transferred in whole or in part (in any Specified Denomination). In order to effect any such transfer (i) the Holder or Holders must (a) surrender the Note for registration of the transfer of the Note (or the relevant part of the Note) at the specified office of the Registrar, with the form of transfer thereon duly executed by the Holder or Holders thereof or his or their attorney or attorneys duly authorised in writing and (b) complete and deposit such other certifications as may be required by the Registrar and (ii) the Registrar must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in the Indenture). Subject as provided above, the Registrar will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Note in definitive form of a like aggregate nominal amount to the Note (or the relevant part of the Note) transferred. In the case of the transfer of part only of a Note in definitive form, a new Note in definitive form in respect of the balance of the Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

Holders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

Prior to expiry of the period that ends 40 days after the completion of the distribution of the Notes, transfers by the Holder of, or of a beneficial interest in, the Regulation S Global Note to a transferee in the United States or who is a U.S. person will only be made:

(i) upon receipt by the Registrar of a written certification substantially in the form set out in the Indenture, amended as appropriate (a "**Transfer Certificate**"), copies of which

are available from the specified office of the Registrar, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made to a person whom the transferor reasonably believes is a "qualified institutional buyer" (a "**QIB**") within the meaning of Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") in a transaction meeting the requirements of Rule 144A; or

(ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer (but at the cost of the transferee and/or transferor) of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

Transfers of Legended Notes (as defined below) or beneficial interests therein may be made:

(i) to a transferee who takes delivery of such interest through the Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the transferor to the effect that such transfer is being made in accordance with Regulation S under the Securities Act; or

(ii) to a transferee who takes delivery of such interest through a Legended Note where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or

(iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer (but at the cost of the transferee and/or transferor) of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the legend on the face of any such Note detailing the restrictions on transfer of the Note, the Registrar shall deliver only Legended Notes or refuse to remove such legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

For this purpose, "**Legended Note**" means Notes (whether in definitive form or represented by a Global Note) sold in private transactions to QIBs in accordance with the requirements of Rule 144A.

Further Issues

The Issuer may, from time to time, without notice to or the consent of the Holders, issue as many distinct series of debt securities under the Indenture as it wishes. It may also from time to time, without notice to or the consent of the Holders, "re-open" each series of the Notes and create and issue additional notes having identical terms and conditions as the Notes, as the case may be (or in all respects except for the issue date, the issue price, the payment of interest accruing prior to the issue date of such additional notes and/or the first payment of interest following the issue date of such additional notes) so that the

additional notes are consolidated and form a single series of notes with the applicable Notes (a "**Further Issue**"); *provided, however,* that if additional notes are not fungible with the applicable Notes for U.S. federal tax purposes, the additional notes will have a separate CUSIP, ISIN, Common Code or other identifying number to the applicable Notes.

Except as otherwise provided for in the Indenture, each of the Notes issued in this offering and, if issued, any additional notes will be treated as a single class for all purposes under the Indenture, including, without limitation, with respect to waivers, amendments, redemptions and offers to purchase. Unless the context otherwise requires, in this "*Description of Euro Notes*," references to the "Notes" include the Notes and any additional notes that are actually issued.

Status of the Notes and the Guarantees

The Notes will be unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* in right of payment among themselves and with other unsecured and unsubordinated indebtedness of the Issuer (save for certain obligations required to be preferred by law) from time to time outstanding. Upon issue, the Guarantor will unconditionally guarantee, on a senior, unsecured basis, the due and punctual payment of the principal of, premium, if any, and interest on the Notes (and the payment of additional amounts described under "*—Payment of Additional Amounts*") when and as the same shall become due and payable, whether on the interest payment date, at stated maturity, by declaration of acceleration, call for redemption or otherwise, in accordance with the applicable Indenture. The Guarantees will be unsecured and unsubordinated obligations of the Guarantor and will rank *pari passu* in right of payment among themselves and with other unsecured and unsubordinated indebtedness of the Guarantor (save for certain obligations required to be preferred by law) from time to time outstanding.

Payment of Additional Amounts

The Issuer or, if applicable, the Guarantor (pursuant to the terms of the Guarantees) will make payments of, or in respect of, principal and interest on the Notes or any payment pursuant to the Guarantees, as the case may be, without withholding or deduction for or on account of any and all present or future tax, levy, impost or other governmental charge whatsoever imposed, assessed, levied or collected ("**Taxes**") by or for the account of a Relevant Jurisdiction (as defined below), unless such withholding or deduction is required by law.

If the Issuer or, if applicable, the Guarantor is required by a Relevant Jurisdiction to deduct or withhold an amount of or in respect of Taxes, the Issuer or, if applicable, the Guarantor will pay to a Holder of a Note or the Guarantees or the beneficial owner thereof such additional amounts ("**Additional Amounts**") as may be necessary so that after deduction or withholding for any Taxes the net amount received by such Holder or beneficial owner after deduction or withholding for any Taxes, will not be less than the amount such Holder or beneficial owner would have received if such amount of or in respect of Taxes had not been withheld or deducted; *provided, however*, that the Issuer or, if applicable, the Guarantor shall not be required to pay any Additional Amounts for or on account of:

(i) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that the Holder of the applicable Note or Guarantee (or a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Holder, if such Holder is an estate, trust, partnership or corporation) is or has been a domiciliary, national or resident of, or engaging or having been engaged in a trade or business or maintaining or having maintained a permanent establishment or being or having been physically present in the jurisdiction in which such Taxes have been imposed, assessed, levied or collected or otherwise having or having had some connection with such jurisdiction, other than the mere holding or ownership of, the collection of principal of, and interest on or the enforcement of a Note or a Guarantee, as the case may be;

(ii) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that, where presentation is required in order to receive payment, the applicable Note or Guarantee was presented more than 30 days after the date on which such payment became due and payable or was provided for, whichever is later, except to the extent that the Holder or beneficial owner thereof would have been entitled to Additional Amounts had the applicable Note or Guarantee been presented for payment on any day during such 30-day period;

(iii) any estate, inheritance, gift, sales, transfer, excise, personal property or similar Taxes;

(iv) any Taxes that are payable other than by deduction or withholding from payments on or in respect of the applicable Note or Guarantee;

(v) any Taxes that would not have been so imposed, assessed, levied or collected but for the failure by the Holder or the beneficial owner of the applicable Note or Guarantee to comply (following a reasonable written request addressed to the Holder or beneficial owner, as applicable), with any certification, identification or other reporting requirements concerning the nationality, residence or identity of such Holder or beneficial owner or its connection with a Relevant Jurisdiction if compliance is required by statute, regulation or administrative practice of such Relevant Jurisdiction as a condition to relief or exemption from such Taxes;

(vi) any Taxes imposed under the Withholding Tax Act 2021 (*Wet bronbelasting 2021*); or

(vii) any combination of the Taxes described in clauses (i) through (vi) above.

Notwithstanding any other provision of the Indenture, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the Code, or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulation thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other person will be required to pay any Additional Amounts in respect of FATCA Withholding. In addition, Additional Amounts will not be paid in respect of any payment in respect of the applicable Note or Guarantee to any Holder or beneficial owner of the applicable Note that is a fiduciary, a partnership, a limited liability company or any person other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of a Relevant Jurisdiction to be included, for tax purposes, in the income of a beneficiary or settlor with respect to such fiduciary, a member of such partnership, an interest holder in such limited liability company or a beneficial owner that would not have been entitled to such amounts had such beneficiary, settlor, member, interest holder or beneficial owner been the Holder of such Note or Guarantee.

If the Issuer or any Guarantor, as the case may be, becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to the Notes or the Guarantees, the Issuer or the Guarantor, as the case may be, will deliver to the Trustee, copied to the Principal Paying Agent, on a date that is at least 30 days prior to the date of that payment (unless the Issuer or Guarantor becomes aware of the obligation to pay Additional Amounts less than 45 days prior to that payment date, in which case the Issuer or the Guarantor shall notify the Trustee and the Principal Paying Agent promptly thereafter) an officer's certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The officer's certificate must also set forth any other information reasonably necessary to enable the Principal Paying Agent to pay Additional Amounts to Holders on the relevant payment date. The Trustee shall be entitled to rely solely on such officer's certificate as conclusive proof that such payments are necessary.

The Issuer or the Guarantor will make or cause to be made all withholdings and deductions required by law and will remit or cause to be remitted the full amount deducted or withheld to the relevant tax authority in accordance with applicable law. The Issuer or the Guarantor will use its reasonable efforts to obtain tax receipts from each tax authority evidencing the payment of any Taxes so deducted or withheld. The Issuer or the Guarantor will furnish to the Trustee, within a reasonable time after the date the payment of any Taxes so deducted or withheld is made, certified copies of tax receipts evidencing payment by the Issuer or a Guarantor, as the case may be, or if, notwithstanding such entity's efforts to obtain receipts, receipts are not obtained, other evidence of payments by such entity. Upon reasonable request, copies of such tax receipts or other evidence of payments, as the case may be, will be made available by the Trustee to the holders or beneficial owners of the Notes.

The above obligations will survive any termination, defeasance or discharge of the Indenture, any transfer by a Holder or beneficial owner of its Notes, and will apply, *mutatis mutandis*, to any jurisdiction in which any successor Person to the Issuer or any Guarantor is incorporated, domiciled or resident for tax purposes and any department or political subdivision thereof or therein.

Whenever in the Indenture, the Notes, the Guarantees or this Offering Memorandum reference is made to the payment of the principal of, any premium, any interest or other amounts to which a Holder or beneficial owner is entitled, if any, on or in respect of the Notes or the Guarantees, unless the context otherwise requires, such reference also includes the payment of Additional Amounts to the extent that, in context, Additional Amounts are, were or would be payable.

Redemption

Redemption for Tax Reasons

Each series of the Notes will be redeemable by the Issuer, in whole but not in part, at 100 per cent. of the principal amount of such series of the Notes plus accrued and unpaid interest to the applicable date fixed for redemption (the "**Redemption Date**") and any Additional Amounts payable with respect thereto at the Issuer's option at any time prior to their maturity if due to a Change in Tax Law (as defined below) the Issuer or, if applicable, the Guarantor, in accordance with the terms of the Notes or the Guarantees, respectively, has, or would, become obligated to pay to the Holder or beneficial owner of any Note any Additional Amounts (but, in the case of the Guarantor, only if such amount cannot be paid by the Issuer without the obligation to pay Additional Amounts). In such case, the Issuer may redeem the applicable series of the Notes in whole, but not in part, upon not less than 10 nor more than 30 days' notice as provided in "—*Notices*" below, at 100 per cent. of the principal amount of the applicable series of the Notes plus accrued and unpaid interest, if any, to the applicable Redemption Date and any Additional Amounts payable with respect thereto; *provided* that, (a) no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, if applicable, the Guarantor would be obligated to pay any such Additional Amounts were a payment in respect of the applicable series of the Notes or the Guarantees then due and (b) at the time such notice is given, such obligation to pay such Additional Amounts remains in effect. The Issuer's right to redeem the Notes shall continue as long as the Issuer or the Guarantor, as the case may be, is obligated to pay such Additional Amounts, notwithstanding that the Issuer or the Guarantor shall have made payments of Additional Amounts. Prior to the giving of any such notice of redemption, the Issuer must deliver to the Trustee (1) an officer's certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent counsel of recognised standing selected by the Issuer or the Guarantor, as applicable, to the effect that the Issuer or the Guarantor has, or would, become obligated to pay such Additional Amounts as a result of such change or amendment.

For purposes hereof, "**Change in Tax Law**" shall mean (i) any amendment to, or change in, the laws or any regulations or rulings promulgated thereunder of a Relevant Jurisdiction; or (ii) any amendment to, or change in, an official written interpretation or application of such laws, regulations or rulings

(including by virtue of a holding, judgment, order by a court of competent jurisdiction or a change in published administrative practice); for purposes of (i) and (ii), which amendment or change becomes effective on or after the date of this Offering Memorandum (or, if the applicable Relevant Jurisdiction became a Relevant Jurisdiction on a date after the Issue Date, such later date).

The foregoing provisions will apply *mutatis mutandis* to any successor Person, after such successor Person becomes a party to either Indenture, with respect to a Change in Tax Law occurring after the time such successor Person becomes a party to either Indenture.

Optional Redemption

The Issuer may redeem each series of the Notes, in whole or in part, at the Issuer's option, at any time and from time to time prior to, in the case of the 2026 Euro Notes, 19 February 2026 (the day that is three months prior to the maturity date of the 2026 Euro Notes) (such date, the "**2026 Euro Notes Par Call Date**") and, in the case of the 2030 Euro Notes, 19 February 2030 (the day that is three months prior to the maturity date of the 2030 Euro Notes) (such date, the "**2030 Euro Notes Par Call Date**") at a "make-whole" redemption price equal to the greater of:

(i) 100 per cent. of the principal amount of the relevant Notes to be redeemed; and

(ii) the sum of the present values of the Remaining Scheduled Payments of principal and interest thereon (exclusive of interest accrued to the Redemption Date (as defined below)), assuming for such purpose that the relevant Notes matured on the applicable par call date, discounted to the relevant Redemption Date on an annual basis (Actual/Actual (ICMA) day count fraction) at the applicable Comparable Government Bond Rate plus 20 basis points in the case of the 2026 Euro Notes and 20 basis points in the case of the 2030 Euro Notes,

plus accrued and unpaid interest (including any Additional Amounts) on the principal amount of the relevant Notes to be redeemed to but excluding the relevant Redemption Date.

In addition, the Issuer may redeem each series of the Notes in whole or in part, at the Issuer's option, at any time and from time to time on and after the 2026 Euro Notes Par Call Date or the 2030 Euro Notes Par Call Date, as applicable, at a redemption price equal to 100 per cent. of the principal amount of the relevant Notes being redeemed, plus accrued and unpaid interest to the relevant Redemption Date.

In connection with the foregoing sections under "—*Optional Redemption*", the following defined terms apply:

"**Comparable Government Bond Rate**" means, with respect to any Redemption Date, the price, expressed as a percentage (rounded to three decimal places, with 0.0005 being rounded upwards), at which the gross redemption yield on the relevant Notes to be redeemed, if they were to be purchased at such price on the third business day prior to the date fixed for redemption, would be equal to the gross redemption yield on such business day of the Comparable Government Bond (as defined below) on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m. (London time) on such business day as determined by an independent investment bank selected by the Issuer.

"**Comparable Government Bond**" means, with respect to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by the Issuer, a German government bond whose maturity is closest to the maturity of the relevant Notes to be redeemed, assuming for such purpose that such Notes matured on the 2026 Euro Notes Par Call Date or the 2030 Euro Notes Par Call Date, as applicable, or if such independent investment bank in its discretion considers that such similar bond is not in issue, such other German government bond as such independent investment bank may, with the advice of three brokers of, and/or market makers in, German

government bonds selected by us, determine to be appropriate for determining the Comparable Government Bond Rate.

"**Remaining Scheduled Payments**" means, with respect to the relevant Notes to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related Redemption Date but for such redemption, assuming for such purpose that the relevant Notes matured on the 2026 Euro Notes Par Call Date or the 2030 Euro Notes Par Call Date, as applicable; *provided, however*, that if such Redemption Date is not an interest payment date with respect to such Notes, the amount of the next succeeding scheduled interest payment thereon will be deemed to be reduced by the amount of interest accrued thereon to such Redemption Date.

Notice of any redemption will be given in accordance with "—*Notices*" below at least 10 days but not more than 60 days before the relevant Redemption Date to each Holder of the relevant Notes to be redeemed. Unless the Issuer defaults in the payment of the redemption price, on and after any Redemption Date, interest will cease to accrue on the relevant Notes or any portion thereof called for redemption.

Upon presentation of any definitive certificated Note redeemed in part only, the Issuer will execute and instruct the Trustee (or its authenticating agent) to authenticate and deliver (or cause to be transferred by book-entry) to or on the order of the Holder thereof, at the expense of the Issuer, a new Note or Notes, of authorised denominations, in principal amount equal to the unredeemed portion of the Note so presented.

On or before any Redemption Date, the Issuer shall deposit with the applicable Paying Agent money sufficient to pay the redemption price of and accrued interest on the relevant Notes to be redeemed on such date. If less than all of the relevant Notes to be redeemed, the relevant Notes to be redeemed shall be selected by the Trustee in accordance with the rules and procedures of Euroclear and/or Clearstream, Luxembourg. The redemption price shall be calculated by the Independent Investment Banker and the Issuer, and the Trustee and any paying agent for the relevant Notes shall be entitled to rely on such calculation without independent verification and without liability.

Reacquisition

There will be no restriction on the ability of the Issuer or the Guarantor or any of their respective Subsidiaries to purchase or repurchase Notes.

Covenants of the Issuer and the Guarantor

Negative Pledge

So long as any of the Notes of a series remains outstanding, the Issuer and the Guarantor will not and will procure that none of their respective Subsidiaries will create or permit to subsist any Mortgage upon the whole or any part of its undertaking, property, assets or revenues present or future to secure any Relevant Debt of the Issuer, the Guarantor or any Person or to secure any guarantee of or indemnity in respect of any Relevant Debt of the Issuer, the Guarantor or any Person, except in each case for Permitted Interests, unless, at the same time or prior thereto, the Issuer's obligations under or in respect of the Notes of such series and the applicable Indenture or, as the case may be, the Guarantor's obligations under or in respect of the Notes of such series or the Guarantees (A) are secured equally and rateably therewith or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be or (B) have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by holders of a majority of the principal amount of such series of the Notes then outstanding.

The foregoing restriction will not apply to:

- Mortgages arising by operation of law;

- Mortgages on property, assets or revenues of any Person, which liens are existing at the time such Person becomes a Subsidiary; and

- Mortgages on property, assets or revenues of a Person existing at the time such person is merged with or into or consolidated with the Guarantor or any of its Subsidiaries or at the time of a sale, lease or other disposition to the Guarantor or any of its Subsidiaries of the properties of a Person as an entirety or substantially as an entirety.

In connection with the foregoing, the following definitions shall apply:

"**Permitted Interest**" means any Mortgage, Securitisation Lien or other form of encumbrance or security interest which arises in relation to any securitisation or other structured finance transaction where:

(i) the primary source of payment of any obligations of the issuer is linked or otherwise related to cash flow from particular property or assets (or where payment of such obligations is otherwise supported by such property or assets); and

(ii) recourse to the issuer in respect of such obligations is conditional on cash flow from such property or assets.

"**Relevant Debt**" means any present or future indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other debt securities that are for the time being or are capable of being quoted, listed or ordinarily traded on any stock exchange or other organised and regulated securities market.

"**Securitisation Lien**" means a customary back-up security interest granted as part of a sale, lease, transfer or other disposition of assets by the Issuer or the Guarantor to, either directly or indirectly, any issuer in a securitisation or other structured finance transaction.

Limitation on Mergers and Consolidations

Each Indenture will provide that for so long as any of the Notes are outstanding under such Indenture, each of the Issuer and the Guarantor may not consolidate or amalgamate with or merge (including by way of a scheme of arrangement) into or with any other Person, or, directly or indirectly, sell, convey, transfer or lease its properties and assets as an entirety or substantially as an entirety to any Person (other than a Person satisfying the condition set forth in clause (i) below, that is directly or indirectly wholly owned by the Guarantor), unless:

(i) the Person formed by or continuing from such consolidation or amalgamation or into which the Issuer or the Guarantor is merged or the Person which acquires or leases the Issuer's or the Guarantor's properties and assets as an entirety or substantially as an entirety is organised and existing under the laws of the United States, the United Kingdom or any other country that is a member of the Organization for Economic Cooperation and Development as of the date of such succession;

(ii) the successor Person assumes, or assumes by operation of law, the Issuer's or the Guarantor's obligations under the applicable Notes, the Guarantee and the Indenture to pay Additional Amounts;

(iii) if the Issuer or Guarantor, as applicable, is not the continuing entity, the successor Person expressly assumes or assumes by operation of law all of the Issuer's or the Guarantor's obligations under the applicable Notes, the Guarantee and under the Indenture;

(iv) immediately after giving effect to such transaction, no Event of Default (as defined below) and no event which, after notice or lapse of time or both, would become an Event of Default, will have happened and be continuing; and

(v) the Issuer or the Guarantor or the successor Person, as the case may be, shall have delivered to the Trustee an officer's certificate and an opinion of counsel, each to the effect that such consolidation, merger or transfer and such supplemental indenture (if any) comply with the applicable Indenture and, if the Issuer or the Guarantor is not the surviving entity, an opinion of counsel to the effect that such supplemental indenture has been duly authorised, executed and delivered and is a legal, valid and binding agreement enforceable against the successor Person; *provided* that in giving an opinion of counsel, counsel may rely on an officer's certificate as to any matters of fact.

If, as a result of any such transaction, any of the Issuer's, the Guarantor's or any of their respective subsidiaries' undertaking, property, assets or revenues would become subject to a Mortgage, to secure payment of any Relevant Debt of the Issuer or the Guarantor which would not be permitted under the Indenture, the Issuer or the Guarantor or any of their respective subsidiaries or such successor Person, as the case may be, shall take such steps as shall be necessary to effectively secure the Notes equally and rateably with (or prior to) all Relevant Debt secured thereby.

The Notes will not contain covenants or other provisions to afford protection to Holders in the event of a highly leveraged transaction or a change in control of the Issuer or the Guarantor except as provided herein.

Upon certain mergers or consolidations involving the Issuer or the Guarantor, or upon certain sales or conveyances of the respective properties of the Issuer or the Guarantor as an entirety or substantially as an entirety, the obligations of the Issuer or the Guarantor, as the case may be, under the Notes or the Guarantees, as the case may be, shall be assumed by the Person formed by such merger or consolidation or which shall have acquired such property and upon such assumptions such Person shall succeed to and be substituted for the Issuer or the Guarantor, as the case may be, and then the Issuer or the Guarantor, as the case may be, will be relieved from all obligations under the Notes or the Guarantees, as the case may be. The terms "Issuer" and "Guarantor," as used in the Notes, the Guarantees and the Indenture, also refer to any such successors or assigns so substituted.

Provision of Financial and Other Information

For so long as any Notes are outstanding, the Guarantor shall deliver to the Trustee electronically, and post on its website, copies of any of its annual reports or periodic results announcements it files with each of the UK Financial Conduct Authority and the London Stock Exchange within 30 days after it files such documents with the UK Financial Conduct Authority or London Stock Exchange, as the case may be; *provided, however*, that this covenant shall not create any obligation to make any such filings or to make such filings in a timely manner.

Additionally, for so long as any Notes of a series remain outstanding and bear the restrictive legend set forth in the Indenture, the Guarantor will, during any period in which it is neither subject to Section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, make available to any registered Holder of the Notes of such series (or any Holder of a book-entry interest in such Notes designated by the registered holder thereof) in connection with any sale thereof and to any prospective purchaser of the Notes of such series or a book-entry interest in Notes of such series designated by such registered holder, in each case upon request of such registered

holder, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act. As of the date of this Offering Memorandum, the Guarantor is exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

Events of Default

The following will be Events of Default (each an "**Event of Default**") with respect to the applicable Notes:

(i) default in the payment of any instalment of interest and/or Additional Amounts upon any applicable Note as and when the same shall become due and payable, and continuance of such default for 30 days; or

(ii) default in the payment of all or any part of the principal of or premium (if any) on any applicable Note as and when the same shall become due and payable either at maturity, upon any redemption, by declaration or otherwise; or

(iii) default in the performance or breach of any covenant of the Issuer or the Guarantor in respect of the applicable Notes or the applicable Indenture (other than those described in clauses (i) and (ii) above), and continuance of such default or breach for a period of 90 days after there has been given a written notice, to the Issuer and the Guarantor by the Trustee or to the Issuer, the Guarantor and the Trustee by the Holders of at least 25 per cent. in principal amount of the outstanding Notes affected thereby, specifying such default or breach and requiring it to be remedied and stating that such notice is a "Notice of Default" under the applicable Indenture; or

(iv) (a) any present or future indebtedness of the Issuer, the Guarantor or any Significant Subsidiary, other than the applicable Notes, for or in respect of moneys borrowed is declared or becomes due and payable prior to its stated maturity as the result of any Event of Default (howsoever described) and remains unpaid, or (b) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period or (c) the Issuer, the Guarantor or any Significant Subsidiary fails to pay, within any applicable grace period therefor, any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised and which remains unpaid, *provided* that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned in this clause (iv) will have occurred and is or are continuing (which indebtedness, guarantees or indemnities have not been repaid or paid and as to which such default has not been cured or such acceleration has not been rescinded or annulled) exceeds $100,000,000 or its equivalent; or

(v) a distress, attachment, execution or other legal process is levied or enforced against any assets of the Issuer, the Guarantor or any Significant Subsidiary having a value exceeding $100,000,000 or its equivalent following upon a decree or judgment of a court of competent jurisdiction and (A) is not discharged or stayed within 90 days or (B) is the subject of a bona fide active dispute (for the avoidance of doubt, any such distress, attachment, execution or other legal process shall be deemed discharged upon any enforcement of a Mortgage on any such assets); or

(vi) the Issuer, the Guarantor or any Significant Subsidiary admits in writing that it is unable to pay its debts generally; a resolution is passed by the board of directors of the Issuer or the Guarantor for such entity to be wound up or dissolved; the Issuer or Guarantor is unable to pay its debts within the meaning of Section 123(2) of the Insolvency Act of Great Britain or makes a general assignment for the benefit of its creditors; an administrator is appointed in respect of, or an administration order is made in relation to, the Issuer or the Guarantor; the Issuer or the

Guarantor stops payment of its obligations generally or ceases to carry on its business or substantially all thereof; or an encumbrancer takes possession or an administrative or other receiver is appointed over the whole or any material part of the either the Issuer's or the Guarantor's assets; or

(vii) certain specified events in bankruptcy, insolvency or reorganisation involving the Issuer, the Guarantor or any Significant Subsidiary (other than under or in connection with a scheme of amalgamation or reconstruction not involving bankruptcy or insolvency); or

(viii) the Guarantor ceases to own, directly or indirectly, all of the voting stock of the Issuer, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation permitted hereby (including, for greater certainty, pursuant to the events described in "—*Limitation on Mergers and Consolidations*").

The Issuer and/or the Guarantor shall promptly notify the Trustee in writing upon becoming aware of the occurrence of a default or an Event of Default. The Trustee shall not be deemed to have knowledge of a default or Event of default unless and until it receives such notice from the Issuer or the Guarantor.

The Indenture provides that if an Event of Default occurs and is continuing, then and in each and every such case (other than certain Events of Default specified in clauses (v) and (vi) above with respect to the Issuer or the Guarantor), unless the principal of all the applicable Notes shall have already become due and payable, either the Trustee (at the direction of the Holders) or the Holders of not less than 25 per cent. in aggregate principal amount of the applicable Notes then outstanding, by notice in writing to the Issuer and the Guarantor (and to the Trustee if given by the Holders), may, and the Trustee at the request of such Holders shall, subject to its receiving indemnification and/or security to its reasonable satisfaction, declare the entire principal amount of all applicable outstanding Notes issued pursuant to the applicable Indenture and interest accrued and unpaid thereon, if any, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, without any further declaration or other act on the part of the Trustee or any Holder. If the Events of Default described in clause (v) or (vi) above occur with respect to the Issuer or the Guarantor and are continuing, the principal amount of and accrued and unpaid interest on all the applicable outstanding Notes issued pursuant to the applicable Indenture shall become immediately due and payable, without any declaration or other act on the part of the Trustee or any Holder. Under certain circumstances, the Holders of a majority in aggregate principal amount of the applicable Notes then outstanding, by written notice to the Issuer, the Guarantor and the Trustee, may waive defaults and rescind and annul declarations of acceleration and its consequences, but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

The Holders of a majority in aggregate principal amount of the applicable Notes then outstanding will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, subject to certain limitations to be specified in the Indenture.

The Indenture will further provide that no Holder of any Note may institute any action or proceeding at law or in equity or in bankruptcy or otherwise upon or under or with respect to the Indenture, or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other remedy under the Indenture (except suits for the enforcement of payment of overdue principal or interest) unless such Holder previously shall have given to the Trustee written notice of an Event of Default and continuance thereof and unless the Holders of not less than 25 per cent. in aggregate principal amount of the applicable Notes then outstanding shall have made written request upon the Trustee to institute such action or proceedings in its own name as Trustee and shall have offered the Trustee indemnity and/or security (including pre-funding) satisfactory to the Trustee, as it may require against the costs, expenses and liabilities to be incurred therein or thereby, the Trustee shall not have instituted any such action or proceeding within 90 days of its receipt of such notice, request and offer of such indemnity

and/or security and the Trustee shall not have received direction inconsistent with such written request by the Holders of a majority in aggregate principal amount of the applicable Notes at the time outstanding.

An Event of Default with respect to a given series of the Notes would not necessarily constitute an Event of Default with respect to the securities of any other series issued in the future under the Indenture.

The Indenture shall provide that each of the Issuer and the Guarantor will furnish to the Trustee on or before 31 December in each year (commencing on 31 December 2020), if Notes are then outstanding, an officer's certificate of the Issuer's or the Guarantor's, as the case may be, compliance with all conditions and covenants under the Indenture, specifying the defaults (if any) and what is being or has been done in respect thereof.

Defeasance

The Indenture will provide that the Issuer will have the option either (a) to be deemed (together with the Guarantor) to have paid and discharged the entire indebtedness represented by, and obligations under, the applicable Notes and the Guarantees and to have satisfied all the obligations under the Indenture relating to the Notes and the Guarantees (except for certain obligations, including those relating to the defeasance trust and obligations to register the transfer or exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain paying agencies) on the day after the applicable conditions described below have been satisfied or (b) to cease (together with the Guarantor) to be under any obligation to comply with the covenants described under "*—Negative Pledge—Negative Pledge*" and "*—Covenants of the Issuer and the Guarantor—Provision of Financial and Other Information*" and the condition relating to the absence of any events of default under "*—Covenants of the Issuer and the Guarantor—Limitation on Mergers and Consolidations*" under the Notes, and noncompliance with such covenants and the occurrence of certain events described above under "*—Events of Default*" will not give rise to any Event of Default under the Indenture, at any time after the applicable conditions described below have been satisfied.

In order to exercise either defeasance option, the Issuer must deposit with the Trustee (or such other entity designated or appointed by the Trustee for this purpose), irrevocably in trust, money or Government Obligations for the payment of principal of, premium (if any) and interest (including Additional Amounts) on the outstanding Notes of a series to and including the relevant Redemption Date irrevocably designated by the Issuer on or prior to the date of deposit of such money or Government Obligations, and must (i) comply with certain other conditions, including delivering to the Trustee an opinion of U.S. counsel, or a ruling received from or published by the U.S. Internal Revenue Service (the "**IRS**"), to the effect that beneficial owners of the Notes of such series will not recognise income, gain or loss for U.S. federal income tax purposes as a result of the exercise of such option and will be subject to United States federal income tax on the same amount and in the same manner and at the same time as would have been the case if such option had not been exercised and, in the case of *—Defeasance* above, such opinion must state that it is based on a change of law or final and binding ruling received from or published by the IRS after the Issue Date and (ii) pay in full all other amounts due and owing under the Indenture.

Modification and Waiver

Without Consent of Noteholders

The Indenture will contain provisions permitting the Issuer, the Guarantor and the Trustee, without notice to or the consent of the Holders of any of the applicable Notes at any time outstanding, from time to time and at any time, to enter into an indenture or indentures supplemental to the Indenture or to otherwise amend the applicable Indenture to:

- convey, transfer, assign, mortgage or pledge to the Trustee as security for the applicable Notes any property or assets;

- evidence the succession of another person to the Issuer or the Guarantor, as the case may be, or successive successions, and the assumption by the successor person of the covenants, agreements and obligations of the Issuer or the Guarantor, as the case may be, pursuant to the applicable Indenture;

- evidence and provide for the acceptance of appointment of a successor trustee, principal paying agent, registrar or transfer agent, as the case may be;

- add to the covenants of the Issuer and the Guarantor, as the case may be, such further covenants, restrictions, conditions or provisions as the Issuer and the Guarantor, as the case may be, shall consider to be for the protection of the Holders of the applicable Notes, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default under the applicable Indenture permitting the enforcement of all or any of the several remedies provided in the applicable Indenture, Notes or Guarantees; *provided* that, in respect of any such additional covenant, restriction, condition or provision, such supplemental indenture may provide for a particular period of grace after default (which may be shorter or longer than that allowed in the case of other defaults) or may limit the remedies available to the Trustee upon such an Event of Default or may limit the right of

- Holders of a majority in aggregate principal amount of the applicable Notes to waive such an Event of Default;

- modify the restrictions on, and procedures for, resale and other transfers of the applicable Notes pursuant to law, regulation or practice relating to the resale or transfer of restricted securities generally;

- cure any ambiguity or to correct or supplement any provision contained in the applicable Indenture which may be defective or inconsistent with any other provision contained therein or in any supplemental indenture or to make such other provision in regard to matters or questions arising under the applicable Indenture as the Issuer or the Guarantor may deem necessary or desirable and which will not adversely affect the interests of the Holders of the applicable Notes in any material respect (*provided*, that any modification or amendment to conform language in the applicable Indenture to that appearing in this "*Description of Euro Notes*" shall be deemed not to adversely affect the interests of the Holders of the applicable Notes in any material respect); or

- issue as many distinct series of debt securities under the applicable Indenture as the Issuer wishes or to "re-open" each series of notes and create and issue additional notes having identical terms and conditions as an existing series of the Notes (or in all respects except for the issue date, issue price, the payment of interest accruing prior to the issue date of such additional notes or except for the first payment of interest following the issue date of such additional notes) so that the additional notes are consolidated and form a single series with the applicable Notes and are in compliance with the terms of the applicable Indenture.

In connection with any of the above matters, the Trustee shall be entitled to request and rely exclusively on such evidence as it deems necessary or appropriate, including officer's certificates and opinions of counsel.

With Consent of Noteholders

The Indenture will contain provisions permitting the Issuer, the Guarantor and the Trustee, with the consent of the Holders of not less than a majority in aggregate principal amount of the applicable Notes at the time outstanding (including consents obtained in connection with a tender offer or exchange offer for the applicable Notes), from time to time and at any time, to enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the applicable Indenture or any supplementary indenture or of modifying in any manner the rights of the Holders of the applicable Notes or the Guarantees, *provided* that no such indenture may, without the consent of the Holder of each of the applicable Notes so affected:

- change the stated maturity of the principal of or the date for payment of any instalment of interest on any applicable Note;

- reduce the principal amount of or interest on any applicable Note or Additional Amounts payable with respect thereto or reduce the amount payable thereon in the event of redemption or default;

- change the currency or place of payment of principal of or interest on any applicable Note;

- change the obligation of the Issuer or the Guarantor, as the case may be, to pay Additional Amounts (except as otherwise permitted by such applicable Note);

- impair the right to institute suit for the enforcement of any such payment on or with respect to any applicable Note;

- reduce the aforesaid percentage in principal amount of the outstanding applicable Notes, the consent of whose Holders is required for any such supplemental indenture; or

- reduce the aforestated aggregate principal amount of any applicable Note outstanding necessary to modify or amend the applicable Indenture or any such Notes or to waive any future compliance or past default or reduce the quorum requirements or the percentage of aggregate principal amount of any such Notes outstanding required for the adoption of any action at a meeting of Holders of such Notes or reduce the percentage of the aggregate principal amount of such Notes outstanding necessary to rescind or annul any declaration of the principal of and all accrued and unpaid interest on any Notes to be due and payable,

provided that no consent of any Holder of any applicable Note shall be necessary to permit the Trustee, the Issuer and the Guarantor to execute supplemental indentures described under "*—Modification and Waiver—Without Consent of Noteholders*" above.

Any modifications, amendments or waivers to the Indenture or to the conditions of the applicable Notes will be conclusive and binding on all Holders of the applicable Notes, whether or not they have consented to such action or were present at the meeting at which such action was taken (other than in respect of amendments which require the consent of all Holders of such Notes), and on all future Holders of the applicable Notes, whether or not notation of such modifications, amendments or waivers is made upon such Notes. Any instrument given by or on behalf of any Holder of such a Note in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent registered holders of such Note.

Listing

Application has been made for the admission of the Notes to listing on the Official List of the FCA and to trading on the Market.

The Issuer and the Guarantor will use their reasonable best efforts to have such listing and admission to trading become effective and then maintain such listing and admission to trading for so long as any of the Notes remain outstanding.

Notices

So long as any Global Notes representing a given series of the Notes are held in their entirety on behalf of a clearing system, or any of its participants, notices to Holders regarding the Notes will be delivered to the clearing system for communication to its participants. Any such notice shall be deemed to have been given to the participants on the third day after the day on which the said notice was given to the clearing system. If Definitive Notes have been issued, notices to the Holders will (if the Notes are in definitive, certificated form) be mailed by first-class mail (or equivalent) postage prepaid to the Holders at their last registered addresses as they appear in the Notes register. The Issuer and the Guarantor will consider any mailed notice to have been given two Business Days after it has been sent.

In addition, for so long as a given series of the Notes are listed on the Official List of the FCA and admitted to trading on the Market, the Issuer and the Guarantor will comply with the notice and disclosure requirements of the FCA and the Market.

Consent to Service, Submission to Jurisdiction; Enforceability of Judgments

Each of the Issuer and the Guarantor will appoint Corporation Service Company, 1180 Avenue of the Americas, Suite 210, New York, New York 10036, as its process agent for any action brought by a Holder based on the Indenture or the Notes or Guarantees, as applicable, instituted in any state or federal court in the Borough of Manhattan, The City of New York.

Each of the Issuer and the Guarantor will irrevocably submit to the non-exclusive jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York in respect of any action brought by a Holder based on the Notes, the Guarantees or the Indenture. Each of the Issuer and the Guarantor will also irrevocably waive, to the extent permitted by applicable law, any objection to the venue of any of these courts in an action of that type. Holders may, however, be precluded from initiating actions based on the Notes, the Guarantees or the Indenture in courts other than those mentioned above.

Each of the Issuer and the Guarantor will, to the fullest extent permitted by law, irrevocably waive and agree not to plead any immunity from the jurisdiction of any of the above courts in any action based upon the Notes, the Guarantees or the Indenture.

Since a substantial portion of the assets of each of the Issuer and the Guarantor is outside the United States, any judgment obtained in the United States against the Issuer or the Guarantor, including judgments with respect to the payment of principal, premium, interest and any redemption price and any purchase price with respect to the Notes or payments due under the Guarantees, may not be collectable within the United States.

Governing Law

The Indenture, the Notes and the Guarantees shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of laws thereof.

Certain Definitions

Set forth below are certain of the defined terms used in the Notes and the Indenture. You should refer to the Notes and the Indenture for the full set of definitions.

"**Business Day**" means any day which is not, in London, England, New York City, or the place of payment of interest or principal, a Saturday, a Sunday, a legal holiday or a day on which banking institutions in such places are authorised or obligated by law to close.

"**Government Obligations**" means money or obligations issued by the United States government.

"**Group**" means, at any time, the Guarantor together with its Subsidiaries.

"**IFRS**" means International Financial Reporting Standards as adopted by the European Union.

"**Indebtedness**" means all obligations for borrowed money represented by notes, bonds, debentures or similar evidence of indebtedness and obligations for borrowed money evidenced by credit, loan or other like agreements.

"**Mortgage**" means any mortgage, deed of trust, pledge, hypothec, lien, encumbrance, charge or other security interest of any kind.

"**Person**" means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, unincorporated organisation or government or any agency or political subdivision thereof.

"**Relevant Jurisdiction**" means any jurisdiction in which the Issuer or any Guarantor is then incorporated, domiciled or resident for tax purposes or any political subdivision thereof or therein.

"**Significant Subsidiary**" means any Subsidiary that would be a "significant subsidiary" under the definition in Article 1, Rule 1-02(w)(2) of Regulation S-X (but as calculated pursuant to IFRS), promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof.

"**Subsidiary**" means, at any relevant time, any person of which the voting shares or other interests carrying more than 50 per cent. of the outstanding voting rights attached to all outstanding voting shares or other interests are owned, directly or indirectly, by or for the Guarantor and/or one or more Subsidiaries of the Guarantor.

DESCRIPTION OF POUND STERLING NOTES

You will find definitions of certain capitalised terms used in this "Description of Pound Sterling Notes" under the heading "—Governing Law—Certain Definitions ". Certain capitalised terms used in this "Description of Pound Sterling Notes" may have different definitions to the same term used in other sections of this Offering Memorandum. The following is a summary of the material provisions of the Indenture, the Notes and the Guarantees. This summary does not purport to be complete and is qualified in its entirety by reference to all of the provisions of the Indenture, the Notes and the Guarantees. Copies of the Indenture, the Notes and the Guarantees will be available for inspection during normal business hours at any time after the closing date of the offering of the Notes at the New York offices of the Trustee, which are currently located at 60 Wall Street, 24th Floor, New York, NY 10005. Any capitalised term used herein but not defined shall have the meaning assigned to such term in the Indenture. For purposes of this "Description of Pound Sterling Notes", references to the "Issuer" refer only to Reckitt Benckiser Treasury Services plc.

General

On 19 May 2020 (the "**Issue Date**"), Reckitt Benckiser Treasury Services plc, a public limited company incorporated under the laws of England and Wales (the "**Issuer**"), will issue £500 million in aggregate principal amount, comprising the following:

- £500 million 1.750 per cent. Senior Notes due 2032 (the "**Notes**"). The Notes will be issued on the Issue Date.

The Notes will be issued under an indenture (the "**Indenture**") dated as of the Issue Date among, *inter alia*, the Issuer, Reckitt Benckiser Group plc, a public limited company incorporated under the laws of England and Wales (the "**Guarantor**") and Deutsche Bank Trust Company Americas, as trustee (the "**Trustee**"), principal paying agent (the "**Principal Paying Agent**"), London paying agent ("**London Paying Agent**") and registrar (the "**Registrar**").

The Indenture is not required to be nor will they be qualified under the U.S. Trust Indenture Act of 1939, as amended (the "**Trust Indenture Act**"), and will not incorporate by reference any of the provisions of the Trust Indenture Act. Consequently, the Holders will not be entitled to the protections provided under such Act to holders of debt securities issued under a qualified indenture, including those requiring the Trustee to resign in the event of certain conflicts of interest and to inform the Holders of certain relationships between it and the Issuer or the Guarantor. In this "*Description of Pound Sterling Notes*," the terms "Holder," "Noteholder" and other similar terms refer to a "registered holder" of the Notes, and not to a beneficial owner of a book-entry interest in any Notes, unless the context otherwise clearly requires.

Certain terms used in this description are defined under the caption "*—Governing Law—Certain Definitions*." Defined terms used in this description but not defined under "*—Governing Law—Certain Definitions*" will have the meanings assigned to them in the applicable Indenture.

The Indenture will contain provisions for the indemnification of the Trustee and for its relief from responsibility, including provisions relieving it from taking action unless indemnified to its satisfaction.

Principal and Maturity

The Issuer will issue £500 million initial aggregate principal amount of the Notes. The Notes will mature on 19 May 2032.

The Notes will be unsecured and unsubordinated obligations of the Issuer and will be unconditionally guaranteed on a senior, unsecured basis by the Guarantor (the "**Guarantees**").

Interest

The Notes will bear interest at 1.750 per cent. per annum, from and including the Issue Date or from the most recent interest payment date to which interest has been paid or provided for.

Interest on the Notes is payable annually in arrears on 19 May of each year, commencing 19 May 2021. Interest on the Notes will be computed on the basis of the actual number of days in the period for which interest is being calculated and the actual number of days from and including the date from which interest begins to accrue for the period (or from 19 May 2020 if no interest has been paid on the Notes) to but excluding the next scheduled interest payment date. If the date on which any interest payment or principal payment is to be made is not a Business Day, such payment will be made on the next day which is a Business Day at the place of payment of such interest or principal without any further interest or other amounts being paid or payable in connection therewith.

So long as the Notes remain in book-entry only form, the applicable record date for each interest payment date will be the close of business on the business day before the applicable interest payment date. If the Notes are not in book-entry only form, the applicable record date for each interest payment date will be the close of business on the fifteenth calendar day (whether or not a business day) before the applicable interest payment date.

Paying Agent and Registrar for the Notes

The Issuer will maintain one or more paying agents (each a "**Paying Agent**") for the Notes in New York City. The initial Principal Paying Agent will be Deutsche Bank Trust Company Americas, in New York City.

The Issuer will also maintain one or more registrars (each a "**Registrar**") in New York City. The initial Registrar will be Deutsche Bank Trust Company Americas for the Notes. The Issuer will also maintain a transfer agent (the "**Transfer Agent**") in New York City. The initial Transfer Agent will be Deutsche Bank Trust Company Americas for the Notes. The Registrar and the Transfer Agent will each maintain a register reflecting ownership of the applicable Definitive Notes (as defined herein) outstanding from time to time and facilitate transfers of the applicable Definitive Notes on behalf of the Issuer.

Form and Denomination

Deutsche Bank AG, London Branch, HSBC Bank plc, J.P. Morgan Securities plc and Morgan Stanley & Co. International plc, as representatives of the several initial purchasers (the "**Initial Purchasers**"), propose to resell the Notes in registered form to certain institutions in the United States in reliance upon Rule 144A under the U.S. Securities Act of 1933, as amended (the "**Securities Act**"), and to non-U.S. persons located outside the United States in offshore transactions in reliance on Regulation S under the Securities Act. The Notes sold in reliance on Rule 144A may not be sold or otherwise transferred except pursuant to registration under the Securities Act or in accordance with Rule 144A or pursuant to Rule 904 of Regulation S thereunder or in a resale transaction that is otherwise exempt from such registration requirements, and will bear a legend to this effect. The Notes sold in reliance on Regulation S may not be sold or otherwise transferred except pursuant to registration under the Securities Act or pursuant to Rule 904 of Regulation S thereunder or in a resale transaction that is otherwise exempt from such registration requirements, and will bear a legend to this effect.

The Notes will be issued in fully registered form and only in denominations of £100,000 and integral multiples of £1,000 in excess thereof. The Notes will:

(i) if offered and sold in reliance on Regulation S, initially be represented by a global note in registered form (the "**Regulation S Global Note**"); or

(ii) if offered and sold in reliance on Rule 144A under the Securities Act, initially be represented by one or more global notes in registered form (the "**Rule 144A Global Notes**" and, together with the Regulation S Global Note, the "**Global Notes**").

Each Global Note will be deposited with a common depositary for Euroclear Bank SA/NV ("**Euroclear**") and Clearstream Banking S.A. ("**Clearstream, Luxembourg**") and registered in the name of a nominee for such common depositary. Each Global Note will be in substantially the form (subject to completion) scheduled to the Indenture. Interests in Global Notes may be exchanged for definitive Notes in the manner, and subject to the conditions, set out in this section, "*—Form and Denomination*".

Interests in a Global Note will be exchangeable (free of charge), in whole but not in part, for definitive Notes only upon the occurrence of an Exchange Event. For these purposes, "**Exchange Event**" means that (i) an Event of Default has occurred and is continuing, (ii) the Issuer has been notified that both Euroclear and Clearstream, Luxembourg have been closed for business for a continuous period of 14 days (other than by reason of holiday, statutory or otherwise) or have announced an intention permanently to cease business or have in fact done so and, in any such case, no successor clearing system is available or (iii) the Issuer has or will become subject to adverse tax consequences which would not be suffered were the Notes in definitive form.

Title

Subject as set out below, title to the Notes passes by registration in the register (the "**Register**"), which is kept by the Registrar.

The Holder of any Note will (except as otherwise required by applicable law or regulatory requirement) be treated as its absolute owner for all purposes (whether or not it is overdue and regardless of any notice of ownership, trust or any interest thereof or therein, any writing thereon, or any theft or loss thereof) and no person shall be liable for so treating such Holder but, in the case of any Global Note, without prejudice to the provisions set out in the next succeeding paragraph.

For so long as any of the Notes is represented by the Global Note, each person (other than Euroclear or Clearstream, Luxembourg) who is for the time being shown in the records of Euroclear or of Clearstream, Luxembourg as the holder of a particular nominal amount of such Notes (in which regard any certificate or other document issued by Euroclear or Clearstream, Luxembourg as to the nominal amount of such Notes standing to the account of any person shall be conclusive and binding for all purposes save in the case of manifest error) shall be treated by the Issuer, the Registrar and the Paying Agents as the holder of such nominal amount of such Notes for all purposes other than with respect to the payment of principal or interest on such nominal amount of such Notes, for which purpose the registered holder of the Global Note shall be treated by the Issuer, the Registrar and any Paying Agent as the holder of such nominal amount of such Notes in accordance with and subject to the terms of the Global Note and the expressions "**Noteholder**" and "**Holder**" and related expressions shall be construed accordingly.

Transfer of Registered Notes

Transfers of beneficial interests in Global Notes will be effected by Euroclear or Clearstream, Luxembourg, as the case may be, and, in turn, by other participants and, if appropriate, indirect participants in such clearing systems acting on behalf of beneficial transferors and transferees of such interests. A beneficial interest in a Global Note will, subject to compliance with all applicable legal and regulatory restrictions, be transferable for Notes in definitive form or for a beneficial interest in another Global Note only in amounts of £100,000 and integral amounts of £1,000 in excess thereof (each a "**Specified Denomination**") and only in accordance with the rules and operating procedures for the

time being of Euroclear or Clearstream, Luxembourg, as the case may be, and in accordance with the terms and conditions specified in the Indenture.

Subject as provided in this section, upon the terms and subject to the conditions set forth in the Indenture, a Note in definitive form may be transferred in whole or in part (in any Specified Denomination). In order to effect any such transfer (i) the Holder or Holders must (a) surrender the Note for registration of the transfer of the Note (or the relevant part of the Note) at the specified office of the Registrar, with the form of transfer thereon duly executed by the Holder or Holders thereof or his or their attorney or attorneys duly authorised in writing and (b) complete and deposit such other certifications as may be required by the Registrar and (ii) the Registrar must, after due and careful enquiry, be satisfied with the documents of title and the identity of the person making the request. Any such transfer will be subject to such reasonable regulations as the Issuer and the Registrar may from time to time prescribe (the initial such regulations being set out in the Indenture). Subject as provided above, the Registrar will, within three business days (being for this purpose a day on which banks are open for business in the city where the specified office of the Registrar is located) of the request (or such longer period as may be required to comply with any applicable fiscal or other laws or regulations), authenticate and deliver, or procure the authentication and delivery of, at its specified office to the transferee or (at the risk of the transferee) send by uninsured mail, to such address as the transferee may request, a new Note in definitive form of a like aggregate nominal amount to the Note (or the relevant part of the Note) transferred. In the case of the transfer of part only of a Note in definitive form, a new Note in definitive form in respect of the balance of the Note not transferred will be so authenticated and delivered or (at the risk of the transferor) sent to the transferor.

Holders will not be required to bear the costs and expenses of effecting any registration of transfer as provided above, except for any costs or expenses of delivery other than by regular uninsured mail and except that the Issuer may require the payment of a sum sufficient to cover any stamp duty, tax or other governmental charge that may be imposed in relation to the registration.

Prior to expiry of the period that ends 40 days after the completion of the distribution of the Notes, transfers by the Holder of, or of a beneficial interest in, the Regulation S Global Note to a transferee in the United States or who is a U.S. person will only be made:

(i) upon receipt by the Registrar of a written certification substantially in the form set out in the Indenture, amended as appropriate (a "**Transfer Certificate**"), copies of which are available from the specified office of the Registrar, from the transferor of the Note or beneficial interest therein to the effect that such transfer is being made to a person whom the transferor reasonably believes is a "qualified institutional buyer" (a "**QIB**") within the meaning of Rule 144A ("**Rule 144A**") under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") in a transaction meeting the requirements of Rule 144A; or

(ii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer (but at the cost of the transferee and/or transferor) of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

Transfers of Legended Notes (as defined below) or beneficial interests therein may be made:

(i) to a transferee who takes delivery of such interest through the Regulation S Global Note, upon receipt by the Registrar of a duly completed Transfer Certificate from the

transferor to the effect that such transfer is being made in accordance with Regulation S under the Securities Act; or

(ii) to a transferee who takes delivery of such interest through a Legended Note where the transferee is a person whom the transferor reasonably believes is a QIB in a transaction meeting the requirements of Rule 144A, without certification; or

(iii) otherwise pursuant to the Securities Act or an exemption therefrom, subject to receipt by the Issuer (but at the cost of the transferee and/or transferor) of such satisfactory evidence as the Issuer may reasonably require, which may include an opinion of U.S. counsel, that such transfer is in compliance with any applicable securities laws of any State of the United States,

and, in each case, in accordance with any applicable securities laws of any State of the United States or any other jurisdiction.

Upon the transfer, exchange or replacement of Legended Notes, or upon specific request for removal of the legend on the face of any such Note detailing the restrictions on transfer of the Note, the Registrar shall deliver only Legended Notes or refuse to remove such legend, as the case may be, unless there is delivered to the Issuer such satisfactory evidence as may reasonably be required by the Issuer, which may include an opinion of U.S. counsel, that neither the legend nor the restrictions on transfer set forth therein are required to ensure compliance with the provisions of the Securities Act.

For this purpose, "**Legended Note**" means Notes (whether in definitive form or represented by a Global Note) sold in private transactions to QIBs in accordance with the requirements of Rule 144A.

Further Issues

The Issuer may, from time to time, without notice to or the consent of the Holders, issue as many distinct series of debt securities under the Indenture as it wishes. It may also from time to time, without notice to or the consent of the Holders, "re-open" each series of the Notes and create and issue additional notes having identical terms and conditions as the Notes, as the case may be (or in all respects except for the issue date, the issue price, the payment of interest accruing prior to the issue date of such additional notes and/or the first payment of interest following the issue date of such additional notes) so that the additional notes are consolidated and form a single series of notes with the applicable Notes (a "**Further Issue**"); *provided, however*, that if additional notes are not fungible with the applicable Notes for U.S. federal tax purposes, the additional notes will have a separate CUSIP, ISIN, Common Code or other identifying number to the applicable Notes.

Except as otherwise provided for in the Indenture, each of the Notes issued in this offering and, if issued, any additional notes will be treated as a single class for all purposes under each of the Indenture, including, without limitation, with respect to waivers, amendments, redemptions and offers to purchase. Unless the context otherwise requires, in this "*Description of Pound Sterling Notes*," references to the "Notes" include the Notes and any additional notes that are actually issued.

Status of the Notes and the Guarantees

The Notes will be unsecured and unsubordinated obligations of the Issuer and will rank *pari passu* in right of payment among themselves and with other unsecured and unsubordinated indebtedness of the Issuer (save for certain obligations required to be preferred by law) from time to time outstanding. Upon issue, the Guarantor will unconditionally guarantee, on a senior, unsecured basis, the due and punctual payment of the principal of, premium, if any, and interest on the Notes (and the payment of additional amounts described under "—*Payment of Additional Amounts*") when and as the same shall become due and payable, whether on the interest payment date, at stated maturity, by declaration of acceleration,

call for redemption or otherwise, in accordance with the applicable Indenture. The Guarantees will be unsecured and unsubordinated obligations of the Guarantor and will rank *pari passu* in right of payment among themselves and with other unsecured and unsubordinated indebtedness of the Guarantor (save for certain obligations required to be preferred by law) from time to time outstanding.

Payment of Additional Amounts

The Issuer or, if applicable, the Guarantor (pursuant to the terms of the Guarantees) will make payments of, or in respect of, principal and interest on the Notes or any payment pursuant to the Guarantees, as the case may be, without withholding or deduction for or on account of any and all present or future tax, levy, impost or other governmental charge whatsoever imposed, assessed, levied or collected ("**Taxes**") by or for the account of a Relevant Jurisdiction (as defined below), unless such withholding or deduction is required by law.

If the Issuer or, if applicable, the Guarantor is required by a Relevant Jurisdiction to deduct or withhold an amount of or in respect of Taxes, the Issuer or, if applicable, the Guarantor will pay to a Holder of a Note or the Guarantees or the beneficial owner thereof such additional amounts ("**Additional Amounts**") as may be necessary so that after deduction or withholding for any Taxes the net amount received by such Holder or beneficial owner after deduction or withholding for any Taxes, will not be less than the amount such Holder or beneficial owner would have received if such amount of or in respect of Taxes had not been withheld or deducted; *provided, however*, that the Issuer or, if applicable, the Guarantor shall not be required to pay any Additional Amounts for or on account of:

(i) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that the Holder of the applicable Note or Guarantee (or a fiduciary, settlor, beneficiary, member or shareholder of, or possessor of a power over, such Holder, if such Holder is an estate, trust, partnership or corporation) is or has been a domiciliary, national or resident of, or engaging or having been engaged in a trade or business or maintaining or having maintained a permanent establishment or being or having been physically present in the jurisdiction in which such Taxes have been imposed, assessed, levied or collected or otherwise having or having had some connection with such jurisdiction, other than the mere holding or ownership of, the collection of principal of, and interest on or the enforcement of a Note or a Guarantee, as the case may be;

(ii) any Taxes that would not have been so imposed, assessed, levied or collected but for the fact that, where presentation is required in order to receive payment, the applicable Note or Guarantee was presented more than 30 days after the date on which such payment became due and payable or was provided for, whichever is later, except to the extent that the Holder or beneficial owner thereof would have been entitled to Additional Amounts had the applicable Note or Guarantee been presented for payment on any day during such 30-day period;

(iii) any estate, inheritance, gift, sales, transfer, excise, personal property or similar Taxes;

(iv) any Taxes that are payable other than by deduction or withholding from payments on or in respect of the applicable Note or Guarantee;

(v) any Taxes that would not have been so imposed, assessed, levied or collected but for the failure by the Holder or the beneficial owner of the applicable Note or Guarantee to comply (following a reasonable written request addressed to the Holder or beneficial owner, as applicable), with any certification, identification or other reporting requirements concerning the nationality, residence or identity of such Holder or beneficial owner or its connection with a Relevant Jurisdiction if compliance is

required by statute, regulation or administrative practice of such Relevant Jurisdiction as a condition to relief or exemption from such Taxes; or

(vi) any combination of the Taxes described in clauses (i) through (v) above.

Notwithstanding any other provision of the Indenture, any amounts to be paid on the Notes by or on behalf of the Issuer will be paid net of any deduction or withholding imposed or required pursuant to an agreement described in Section 1471(b) of the Code, or otherwise imposed pursuant to Sections 1471 through 1474 of the Code (or any regulation thereunder or official interpretations thereof) or an intergovernmental agreement between the United States and another jurisdiction facilitating the implementation thereof (or any fiscal or regulatory legislation, rules or practices implementing such an intergovernmental agreement) (any such withholding or deduction, a "**FATCA Withholding**"). Neither the Issuer nor any other person will be required to pay any Additional Amounts in respect of FATCA Withholding. In addition, Additional Amounts will not be paid in respect of any payment in respect of the applicable Note or Guarantee to any Holder or beneficial owner of the applicable Note that is a fiduciary, a partnership, a limited liability company or any person other than the sole beneficial owner of such payment to the extent such payment would be required by the laws of a Relevant Jurisdiction to be included, for tax purposes, in the income of a beneficiary or settlor with respect to such fiduciary, a member of such partnership, an interest holder in such limited liability company or a beneficial owner that would not have been entitled to such amounts had such beneficiary, settlor, member, interest holder or beneficial owner been the Holder of such Note or Guarantee.

If the Issuer or any Guarantor, as the case may be, becomes aware that it will be obligated to pay Additional Amounts with respect to any payment under or with respect to the Notes or the Guarantees, the Issuer or the Guarantor, as the case may be, will deliver to the Trustee, copied to the Principal Paying Agent, on a date that is at least 30 days prior to the date of that payment (unless the Issuer or Guarantor becomes aware of the obligation to pay Additional Amounts less than 45 days prior to that payment date, in which case the Issuer or the Guarantor shall notify the Trustee and the Principal Paying Agent promptly thereafter) an officer's certificate stating the fact that Additional Amounts will be payable and the amount estimated to be so payable. The officer's certificate must also set forth any other information reasonably necessary to enable the Principal Paying Agent to pay Additional Amounts to Holders on the relevant payment date. The Trustee shall be entitled to rely solely on such officer's certificate as conclusive proof that such payments are necessary.

The Issuer or the Guarantor will make or cause to be made all withholdings and deductions required by law and will remit or cause to be remitted the full amount deducted or withheld to the relevant tax authority in accordance with applicable law. The Issuer or the Guarantor will use its reasonable efforts to obtain tax receipts from each tax authority evidencing the payment of any Taxes so deducted or withheld. The Issuer or the Guarantor will furnish to the Trustee, within a reasonable time after the date the payment of any Taxes so deducted or withheld is made, certified copies of tax receipts evidencing payment by the Issuer or a Guarantor, as the case may be, or if, notwithstanding such entity's efforts to obtain receipts, receipts are not obtained, other evidence of payments by such entity. Upon reasonable request, copies of such tax receipts or other evidence of payments, as the case may be, will be made available by the Trustee to the holders or beneficial owners of the Notes.

The above obligations will survive any termination, defeasance or discharge of the Indenture, any transfer by a Holder or beneficial owner of its Notes, and will apply, *mutatis mutandis*, to any jurisdiction in which any successor Person to the Issuer or any Guarantor is incorporated, domiciled or resident for tax purposes and any department or political subdivision thereof or therein.

Whenever in the Indenture, the Notes, the Guarantees or this Offering Memorandum reference is made to the payment of the principal of, any premium, any interest or other amounts to which a Holder or beneficial owner is entitled, if any, on or in respect of the Notes or the Guarantees, unless the context

otherwise requires, such reference also includes the payment of Additional Amounts to the extent that, in context, Additional Amounts are, were or would be payable.

Redemption

Redemption for Tax Reasons

Each series of the Notes will be redeemable by the Issuer, in whole but not in part, at 100 per cent. of the principal amount of such series of the Notes plus accrued and unpaid interest to the applicable date fixed for redemption (the "**Redemption Date**") and any Additional Amounts payable with respect thereto at the Issuer's option at any time prior to their maturity if due to a Change in Tax Law (as defined below) the Issuer or, if applicable, the Guarantor, in accordance with the terms of the Notes or the Guarantees, respectively, has, or would, become obligated to pay to the Holder or beneficial owner of any Note any Additional Amounts (but, in the case of the Guarantor, only if such amount cannot be paid by the Issuer without the obligation to pay Additional Amounts). In such case, the Issuer may redeem the applicable series of the Notes in whole, but not in part, upon not less than 10 nor more than 30 days' notice as provided in "*—Notice*" below, at 100 per cent. of the principal amount of the applicable series of the Notes plus accrued and unpaid interest, if any, to the applicable Redemption Date and any Additional Amounts payable with respect thereto; *provided* that, (a) no such notice of redemption shall be given earlier than 90 days prior to the earliest date on which the Issuer or, if applicable, the Guarantor would be obligated to pay any such Additional Amounts were a payment in respect of the applicable series of the Notes or the Guarantees then due and (b) at the time such notice is given, such obligation to pay such Additional Amounts remains in effect. The Issuer's right to redeem the Notes shall continue as long as the Issuer or the Guarantor, as the case may be, is obligated to pay such Additional Amounts, notwithstanding that the Issuer or the Guarantor shall have made payments of Additional Amounts. Prior to the giving of any such notice of redemption, the Issuer must deliver to the Trustee (1) an officer's certificate stating that the Issuer is entitled to effect such redemption and setting forth a statement of facts showing that the conditions precedent to the right of the Issuer so to redeem have occurred and (2) an opinion of independent counsel of recognised standing selected by the Issuer or the Guarantor, as applicable, to the effect that the Issuer or the Guarantor has, or would, become obligated to pay such Additional Amounts as a result of such change or amendment.

For purposes hereof, "**Change in Tax Law**" shall mean (i) any amendment to, or change in, the laws or any regulations or rulings promulgated thereunder of a Relevant Jurisdiction; or (ii) any amendment to, or change in, an official written interpretation or application of such laws, regulations or rulings (including by virtue of a holding, judgment, order by a court of competent jurisdiction or a change in published administrative practice); for purposes of (i) and (ii), which amendment or change becomes effective on or after the date of this Offering Memorandum (or, if the applicable Relevant Jurisdiction became a Relevant Jurisdiction on a date after the Issue Date, such later date).

The foregoing provisions will apply *mutatis mutandis* to any successor Person, after such successor Person becomes a party to either Indenture, with respect to a Change in Tax Law occurring after the time such successor Person becomes a party to either Indenture.

Optional Redemption

The Issuer may redeem the Notes, in whole or in part, at the Issuer's option, at any time and from time to time on at least 10 days, but not more than 60 days, prior notice mailed (or otherwise transmitted in accordance with the procedures of the common depositary) to the registered address of each holder of the Notes, at a "make-whole" redemption price (calculated by the Issuer) equal to the greater of:

(i) 100 per cent. of the principal amount of the Notes to be redeemed; and

(ii) the sum of the present values of the Remaining Scheduled Payments (as defined below) of principal and interest thereon (exclusive of interest accrued to the Redemption Date discounted to the Redemption Date on an annual basis (Actual/Actual (ICMA) day count fraction)) at the Comparable Government Bond Rate (as defined below) plus 25 basis points plus accrued and unpaid interest thereon on, but not including the Redemption Date.

On and after the Redemption Date, interest will cease to accrue on the Notes or any portion of the Notes called for redemption (unless the Issuer defaults in the payment of the redemption price and accrued interest). On or before the Redemption Date, the Issuer will deposit with the Trustee or its agent money sufficient to pay the redemption price of and (unless the Redemption Date shall be an interest payment date) accrued and unpaid interest to the Redemption Date on the Notes to be redeemed on that Redemption Date. If less than all of the Notes are to be redeemed, the Notes to be redeemed shall be selected in accordance with the common depositary procedures. Additionally, the Issuer may at any time repurchase Notes in the open market and may hold or surrender such Notes to the Trustee for cancellation.

In connection with the foregoing sections under "—*Optional Redemption*", the following defined terms apply:

"**Comparable Government Bond Rate**" means the price, expressed as a percentage (rounded to three decimal places, 0.0005 being rounded upwards), at which the gross redemption yield on the Notes, if they were to be purchased at such price on the third business day prior to the date fixed for redemption, would be equal to the gross redemption yield on such business day of the Comparable Government Bond (as defined below) on the basis of the middle market price of the Comparable Government Bond prevailing at 11:00 a.m. (London time) on such business day as determined by an independent investment bank selected by the Issuer.

"**Comparable Government Bond**" means, in relation to any Comparable Government Bond Rate calculation, at the discretion of an independent investment bank selected by the Issuer, a United Kingdom government bond whose maturity is closest to the maturity of the notes, or if such independent investment bank in its discretion considers that such similar bond is not in issue, such other United Kingdom government bond as such independent investment bank may, with the advice of three brokers of, and/or market makers in, United Kingdom government bonds selected by the Issuer, determine to be appropriate for determining the Comparable Government Bond Rate.

"**Remaining Scheduled Payments**" means, with respect to the Notes to be redeemed, the remaining scheduled payments of the principal thereof and interest thereon that would be due after the related Redemption Date but for such redemption; *provided, however,* that if that Redemption Date is not an interest payment date with respect to such Notes, the amount of the next succeeding scheduled interest payment thereon will be deemed to be reduced by the amount of interest accrued thereon to that Redemption Date.

Notice of any redemption will be given in accordance with "—*Notices*" below at least 10 days but not more than 60 days before the Redemption Date to each Holder of the Notes to be redeemed. Unless the Issuer defaults in the payment of the redemption price, on and after any Redemption Date, interest will cease to accrue on the Notes or any portion thereof called for redemption.

Upon presentation of any definitive certificated Note redeemed in part only, the Issuer will execute and instruct the Trustee (or its authenticating agent) to authenticate and deliver (or cause to be transferred by book-entry) to or on the order of the Holder thereof, at the expense of the Issuer, a new Note or Notes, of authorised denominations, in principal amount equal to the unredeemed portion of the Note so presented.

On or before any Redemption Date, the Issuer shall deposit with the applicable Paying Agent money sufficient to pay the redemption price of and accrued interest on the Notes to be redeemed on such date. If less than all the Notes to be redeemed, the Notes to be redeemed shall be selected by the Trustee in accordance with the rules and procedures of Euroclear and/or Clearstream, Luxembourg. The redemption price shall be calculated by the Independent Investment Banker and the Issuer, and the Trustee and any paying agent for the Notes shall be entitled to rely on such calculation without independent verification and without liability.

Reacquisition

There will be no restriction on the ability of the Issuer or the Guarantor or any of their respective Subsidiaries to purchase or repurchase Notes.

Covenants of the Issuer and the Guarantor

Negative Pledge

So long as any of the Notes of a series remains outstanding, the Issuer and the Guarantor will not and will procure that none of their respective Subsidiaries will create or permit to subsist any Mortgage upon the whole or any part of its undertaking, property, assets or revenues present or future to secure any Relevant Debt of the Issuer, the Guarantor or any Person or to secure any guarantee of or indemnity in respect of any Relevant Debt of the Issuer, the Guarantor or any Person, except in each case for Permitted Interests, unless, at the same time or prior thereto, the Issuer's obligations under or in respect of the Notes of such series and the applicable Indenture or, as the case may be, the Guarantor's obligations under or in respect of the Notes of such series or the Guarantees (A) are secured equally and rateably therewith or benefit from a guarantee or indemnity in substantially identical terms thereto, as the case may be or (B) have the benefit of such other security, guarantee, indemnity or other arrangement as shall be approved by holders of a majority of the principal amount of such series of the Notes then outstanding.

The foregoing restriction will not apply to:

- Mortgages arising by operation of law;
- Mortgages on property, assets or revenues of any Person, which liens are existing at the time such Person becomes a Subsidiary; and
- Mortgages on property, assets or revenues of a Person existing at the time such person is merged with or into or consolidated with the Guarantor or any of its Subsidiaries or at the time of a sale, lease or other disposition to the Guarantor or any of its Subsidiaries of the properties of a Person as an entirety or substantially as an entirety.

In connection with the foregoing, the following definitions shall apply:

"**Permitted Interest**" means any Mortgage, Securitisation Lien or other form of encumbrance or security interest which arises in relation to any securitisation or other structured finance transaction where:

(i) the primary source of payment of any obligations of the issuer is linked or otherwise related to cash flow from particular property or assets (or where payment of such obligations is otherwise supported by such property or assets); and

(ii) recourse to the issuer in respect of such obligations is conditional on cash flow from such property or assets.

"**Relevant Debt**" means any present or future indebtedness in the form of, or represented by, bonds, notes, debentures, loan stock or other debt securities that are for the time being or are capable of being quoted, listed or ordinarily traded on any stock exchange or other organised and regulated securities market.

"**Securitisation Lien**" means a customary back-up security interest granted as part of a sale, lease, transfer or other disposition of assets by the Issuer or the Guarantor to, either directly or indirectly, any issuer in a securitisation or other structured finance transaction.

Limitation on Mergers and Consolidations

Each Indenture will provide that for so long as any of the Notes are outstanding under such Indenture, each of the Issuer and the Guarantor may not consolidate or amalgamate with or merge (including by way of a scheme of arrangement) into or with any other Person, or, directly or indirectly, sell, convey, transfer or lease its properties and assets as an entirety or substantially as an entirety to any Person (other than a Person satisfying the condition set forth in clause (i) below, that is directly or indirectly wholly owned by the Guarantor), unless:

(i) the Person formed by or continuing from such consolidation or amalgamation or into which the Issuer or the Guarantor is merged or the Person which acquires or leases the Issuer's or the Guarantor's properties and assets as an entirety or substantially as an entirety is organised and existing under the laws of the United States, the United Kingdom or any other country that is a member of the Organization for Economic Cooperation and Development as of the date of such succession;

(ii) the successor Person assumes, or assumes by operation of law, the Issuer's or the Guarantor's obligations under the applicable Notes, the Guarantee and the Indenture to pay Additional Amounts;

(iii) if the Issuer or Guarantor, as applicable, is not the continuing entity, the successor Person expressly assumes or assumes by operation of law all of the Issuer's or the Guarantor's obligations under the applicable Notes, the Guarantee and under the Indenture;

(iv) immediately after giving effect to such transaction, no Event of Default (as defined below) and no event which, after notice or lapse of time or both, would become an Event of Default, will have happened and be continuing; and

(v) the Issuer or the Guarantor or the successor Person, as the case may be, shall have delivered to the Trustee an officer's certificate and an opinion of counsel, each to the effect that such consolidation, merger or transfer and such supplemental indenture (if any) comply with the applicable Indenture and, if the Issuer or the Guarantor is not the surviving entity, an opinion of counsel to the effect that such supplemental indenture has been duly authorised, executed and delivered and is a legal, valid and binding agreement enforceable against the successor Person; *provided* that in giving an opinion of counsel, counsel may rely on an officer's certificate as to any matters of fact.

If, as a result of any such transaction, any of the Issuer's, the Guarantor's or any of their respective subsidiaries' undertaking, property, assets or revenues would become subject to a Mortgage, to secure payment of any Relevant Debt of the Issuer or the Guarantor which would not be permitted under the Indenture, the Issuer or the Guarantor or any of their respective subsidiaries or such successor Person, as the case may be, shall take such steps as shall be necessary to effectively secure the Notes equally and rateably with (or prior to) all Relevant Debt secured thereby.

The Notes will not contain covenants or other provisions to afford protection to Holders in the event of a highly leveraged transaction or a change in control of the Issuer or the Guarantor except as provided herein.

Upon certain mergers or consolidations involving the Issuer or the Guarantor, or upon certain sales or conveyances of the respective properties of the Issuer or the Guarantor as an entirety or substantially as an entirety, the obligations of the Issuer or the Guarantor, as the case may be, under the Notes or the Guarantees, as the case may be, shall be assumed by the Person formed by such merger or consolidation or which shall have acquired such property and upon such assumptions such Person shall succeed to and be substituted for the Issuer or the Guarantor, as the case may be, and then the Issuer or the Guarantor, as the case may be, will be relieved from all obligations under the Notes or the Guarantees, as the case may be. The terms "Issuer" and "Guarantor," as used in the Notes, the Guarantees and the Indenture, also refer to any such successors or assigns so substituted.

Provision of Financial and Other Information

For so long as any Notes are outstanding, the Guarantor shall deliver to the Trustee electronically, and post on its website, copies of any of its annual reports or periodic results announcements it files with each of the UK Financial Conduct Authority and the London Stock Exchange within 30 days after it files such documents with the UK Financial Conduct Authority or London Stock Exchange, as the case may be; *provided, however*, that this covenant shall not create any obligation to make any such filings or to make such filings in a timely manner.

Additionally, for so long as any Notes of a series remain outstanding and bear the restrictive legend set forth in the Indenture, the Guarantor will, during any period in which it is neither subject to Section 13 or 15(d) of the Exchange Act, nor exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act, make available to any registered Holder of the Notes of such series (or any Holder of a book-entry interest in such Notes designated by the registered holder thereof) in connection with any sale thereof and to any prospective purchaser of the Notes of such series or a book-entry interest in Notes of such series designated by such registered holder, in each case upon request of such registered holder, the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act. As of the date of this Offering Memorandum, the Guarantor is exempt from reporting pursuant to Rule 12g3-2(b) under the Exchange Act.

Events of Default

The following will be Events of Default (each an "**Event of Default**") with respect to the applicable Notes:

(i) default in the payment of any instalment of interest and/or Additional Amounts upon any applicable Note as and when the same shall become due and payable, and continuance of such default for 30 days; or

(ii) default in the payment of all or any part of the principal of or premium (if any) on any applicable Note as and when the same shall become due and payable either at maturity, upon any redemption, by declaration or otherwise; or

(iii) default in the performance or breach of any covenant of the Issuer or the Guarantor in respect of the applicable Notes or the applicable Indenture (other than those described in clauses (i) and (ii) above), and continuance of such default or breach for a period of 90 days after there has been given a written notice, to the Issuer and the Guarantor by the Trustee or to the Issuer, the Guarantor and the Trustee by the Holders of at least 25 per cent. in principal amount of the outstanding Notes affected thereby, specifying such default or breach and requiring it to be

remedied and stating that such notice is a "Notice of Default" under the applicable Indenture; or

(iv) (a) any present or future indebtedness of the Issuer, the Guarantor or any Significant Subsidiary, other than the applicable Notes, for or in respect of moneys borrowed is declared or becomes due and payable prior to its stated maturity as the result of any Event of Default (howsoever described) and remains unpaid, or (b) any such indebtedness is not paid when due or, as the case may be, within any applicable grace period or (c) the Issuer, the Guarantor or any Significant Subsidiary fails to pay, within any applicable grace period therefor, any amount payable by it under any present or future guarantee for, or indemnity in respect of, any moneys borrowed or raised and which remains unpaid, *provided* that the aggregate amount of the relevant indebtedness, guarantees and indemnities in respect of which one or more of the events mentioned in this clause (iv) will have occurred and is or are continuing (which indebtedness, guarantees or indemnities have not been repaid or paid and as to which such default has not been cured or such acceleration has not been rescinded or annulled) exceeds $100,000,000 or its equivalent; or

(v) a distress, attachment, execution or other legal process is levied or enforced against any assets of the Issuer, the Guarantor or any Significant Subsidiary having a value exceeding $100,000,000 or its equivalent following upon a decree or judgment of a court of competent jurisdiction and (A) is not discharged or stayed within 90 days or (B) is the subject of a bona fide active dispute (for the avoidance of doubt, any such distress, attachment, execution or other legal process shall be deemed discharged upon any enforcement of a Mortgage on any such assets); or

(vi) the Issuer, the Guarantor or any Significant Subsidiary admits in writing that it is unable to pay its debts generally; a resolution is passed by the board of directors of the Issuer or the Guarantor for such entity to be wound up or dissolved; the Issuer or Guarantor is unable to pay its debts within the meaning of Section 123(2) of the Insolvency Act of Great Britain or makes a general assignment for the benefit of its creditors; an administrator is appointed in respect of, or an administration order is made in relation to, the Issuer or the Guarantor; the Issuer or the Guarantor stops payment of its obligations generally or ceases to carry on its business or substantially all thereof; or an encumbrancer takes possession or an administrative or other receiver is appointed over the whole or any material part of the either the Issuer's or the Guarantor's assets; or

(vii) certain specified events in bankruptcy, insolvency or reorganisation involving the Issuer, the Guarantor or any Significant Subsidiary (other than under or in connection with a scheme of amalgamation or reconstruction not involving bankruptcy or insolvency); or

(viii) the Guarantor ceases to own, directly or indirectly, all of the voting stock of the Issuer, except for the purpose of and followed by a reconstruction, amalgamation, reorganisation, merger or consolidation permitted hereby (including, for greater certainty, pursuant to the events described in "—*Limitation on Mergers and Consolidations*").

The Issuer and/or the Guarantor shall promptly notify the Trustee in writing upon becoming aware of the occurrence of a default or an Event of Default. The Trustee shall not be deemed to have knowledge of a default or Event of default unless and until it receives such notice from the Issuer or the Guarantor.

The Indenture provides that if an Event of Default occurs and is continuing, then and in each and every such case (other than certain Events of Default specified in clauses (v) and (vi) above with respect to the Issuer or the Guarantor), unless the principal of all the applicable Notes shall have already become due and payable, either the Trustee (at the direction of the Holders) or the Holders of not less than 25 per cent. in aggregate principal amount of the applicable Notes then outstanding, by notice in writing

to the Issuer and the Guarantor (and to the Trustee if given by the Holders), may, and the Trustee at the request of such Holders shall, subject to its receiving indemnification and/or security to its reasonable satisfaction, declare the entire principal amount of all applicable outstanding Notes issued pursuant to the applicable Indenture and interest accrued and unpaid thereon, if any, to be due and payable immediately, and upon any such declaration the same shall become immediately due and payable, without any further declaration or other act on the part of the Trustee or any Holder. If the Events of Default described in clauses (v) and (vi) above occur with respect to the Issuer or the Guarantor and are continuing, the principal amount of and accrued and unpaid interest on all the applicable outstanding Notes issued pursuant to the applicable Indenture shall become immediately due and payable, without any declaration or other act on the part of the Trustee or any Holder. Under certain circumstances, the Holders of a majority in aggregate principal amount of the applicable Notes then outstanding, by written notice to the Issuer, the Guarantor and the Trustee, may waive defaults and rescind and annul declarations of acceleration and its consequences, but no such waiver or rescission and annulment shall extend to or shall affect any subsequent default or shall impair any right consequent thereon.

The Holders of a majority in aggregate principal amount of the applicable Notes then outstanding will have the right to direct the time, method and place of conducting any proceeding for any remedy available to the Trustee, or exercising any trust or power conferred on the Trustee, subject to certain limitations to be specified in the Indenture.

The Indenture will further provide that no Holder of any Note may institute any action or proceeding at law or in equity or in bankruptcy or otherwise upon or under or with respect to the Indenture, or for the appointment of a trustee, receiver, liquidator, custodian or other similar official or for any other remedy under the Indenture (except suits for the enforcement of payment of overdue principal or interest) unless such Holder previously shall have given to the Trustee written notice of an Event of Default and continuance thereof and unless the Holders of not less than 25 per cent. in aggregate principal amount of the applicable Notes then outstanding shall have made written request upon the Trustee to institute such action or proceedings in its own name as Trustee and shall have offered the Trustee indemnity and/or security (including pre-funding) satisfactory to the Trustee, as it may require against the costs, expenses and liabilities to be incurred therein or thereby, the Trustee shall not have instituted any such action or proceeding within 90 days of its receipt of such notice, request and offer of such indemnity and/or security and the Trustee shall not have received direction inconsistent with such written request by the Holders of a majority in aggregate principal amount of the applicable Notes at the time outstanding.

An Event of Default with respect to a given series of the Notes would not necessarily constitute an Event of Default with respect to the securities of any other series issued in the future under the Indenture.

The Indenture shall provide that each of the Issuer and the Guarantor will furnish to the Trustee on or before 31 December in each year (commencing on 31 December 2020), if Notes are then outstanding, an officer's certificate of the Issuer's or the Guarantor's, as the case may be, compliance with all conditions and covenants under the Indenture, specifying the defaults (if any) and what is being or has been done in respect thereof.

Defeasance

The Indenture will provide that the Issuer will have the option either (a) to be deemed (together with the Guarantor) to have paid and discharged the entire indebtedness represented by, and obligations under, the applicable Notes and the Guarantees and to have satisfied all the obligations under the Indenture relating to the Notes and the Guarantees (except for certain obligations, including those relating to the defeasance trust and obligations to register the transfer or exchange of the Notes, to replace mutilated, destroyed, lost or stolen Notes and to maintain paying agencies) on the day after the applicable conditions described below have been satisfied or (b) to cease (together with the Guarantor) to be under any obligation to comply with the covenants described under "*—Negative Pledge—Negative*

Pledge" and "*—Covenants of the Issuer and the Guarantor—Provision of Financial and Other Information*" and the condition relating to the absence of any events of default under "*—Covenants of the Issuer and the Guarantor—Limitation on Mergers and Consolidations*" under the Notes, and noncompliance with such covenants and the occurrence of certain events described above under "*—Events of Default*" will not give rise to any Event of Default under the Indenture, at any time after the applicable conditions described below have been satisfied.

In order to exercise either defeasance option, the Issuer must deposit with the Trustee (or such other entity designated or appointed by the Trustee for this purpose), irrevocably in trust, money or Government Obligations for the payment of principal of, premium (if any) and interest (including Additional Amounts) on the outstanding Notes of a series to and including the Redemption Date irrevocably designated by the Issuer on or prior to the date of deposit of such money or Government Obligations, and must (i) comply with certain other conditions, including delivering to the Trustee an opinion of U.S. counsel, or a ruling received from or published by the U.S. Internal Revenue Service (the "**IRS**"), to the effect that beneficial owners of the Notes of such series will not recognise income, gain or loss for U.S. federal income tax purposes as a result of the exercise of such option and will be subject to United States federal income tax on the same amount and in the same manner and at the same time as would have been the case if such option had not been exercised and, in the case of *—Defeasance* above, such opinion must state that it is based on a change of law or final and binding ruling received from or published by the IRS after the Issue Date and (ii) pay in full all other amounts due and owing under the Indenture.

Modification and Waiver

Without Consent of Noteholders

The Indenture will contain provisions permitting the Issuer, the Guarantor and the Trustee, without notice to or the consent of the Holders of any of the applicable Notes at any time outstanding, from time to time and at any time, to enter into an indenture or indentures supplemental to the Indenture or to otherwise amend the applicable Indenture to:

- convey, transfer, assign, mortgage or pledge to the Trustee as security for the applicable Notes any property or assets;

- evidence the succession of another person to the Issuer or the Guarantor, as the case may be, or successive successions, and the assumption by the successor person of the covenants, agreements and obligations of the Issuer or the Guarantor, as the case may be, pursuant to the applicable Indenture;

- evidence and provide for the acceptance of appointment of a successor trustee, principal paying agent, registrar or transfer agent, as the case may be;

- add to the covenants of the Issuer and the Guarantor, as the case may be, such further covenants, restrictions, conditions or provisions as the Issuer and the Guarantor, as the case may be, shall consider to be for the protection of the Holders of the applicable Notes, and to make the occurrence, or the occurrence and continuance, of a default in any such additional covenants, restrictions, conditions or provisions an Event of Default under the applicable Indenture permitting the enforcement of all or any of the several remedies provided in the applicable Indenture, Notes or Guarantees; *provided* that, in respect of any such additional covenant, restriction, condition or provision, such supplemental indenture may provide for a particular period of grace after default (which may be shorter or longer than that allowed in the case of other defaults) or may limit the remedies available to the Trustee upon such an Event of Default or may limit the right of

- Holders of a majority in aggregate principal amount of the applicable Notes to waive such an Event of Default;

- modify the restrictions on, and procedures for, resale and other transfers of the applicable Notes pursuant to law, regulation or practice relating to the resale or transfer of restricted securities generally;

- cure any ambiguity or to correct or supplement any provision contained in the applicable Indenture which may be defective or inconsistent with any other provision contained therein or in any supplemental indenture or to make such other provision in regard to matters or questions arising under the applicable Indenture as the Issuer or the Guarantor may deem necessary or desirable and which will not adversely affect the interests of the Holders of the applicable Notes in any material respect (*provided*, that any modification or amendment to conform language in the applicable Indenture to that appearing in this "*Description of Pound Sterling Notes*" shall be deemed not to adversely affect the interests of the Holders of the applicable Notes in any material respect); or

- issue as many distinct series of debt securities under the applicable Indenture as the Issuer wishes or to "re-open" each series of notes and create and issue additional notes having identical terms and conditions as an existing series of the Notes (or in all respects except for the issue date, issue price, the payment of interest accruing prior to the issue date of such additional notes or except for the first payment of interest following the issue date of such additional notes) so that the additional notes are consolidated and form a single series with the applicable Notes and are in compliance with the terms of the applicable Indenture.

In connection with any of the above matters, the Trustee shall be entitled to request and rely exclusively on such evidence as it deems necessary or appropriate, including officer's certificates and opinions of counsel.

With Consent of Noteholders

The Indenture will contain provisions permitting the Issuer, the Guarantor and the Trustee, with the consent of the Holders of not less than a majority in aggregate principal amount of the applicable Notes at the time outstanding (including consents obtained in connection with a tender offer or exchange offer for the applicable Notes), from time to time and at any time, to enter into an indenture or indentures supplemental hereto for the purpose of adding any provisions to or changing in any manner or eliminating any of the provisions of the applicable Indenture or any supplementary indenture or of modifying in any manner the rights of the Holders of the applicable Notes or the Guarantees, *provided* that no such indenture may, without the consent of the Holder of each of the applicable Notes so affected:

- change the stated maturity of the principal of or the date for payment of any instalment of interest on any applicable Note;

- reduce the principal amount of or interest on any applicable Note or Additional Amounts payable with respect thereto or reduce the amount payable thereon in the event of redemption or default;

- change the currency or place of payment of principal of or interest on any applicable Note;

- change the obligation of the Issuer or the Guarantor, as the case may be, to pay Additional Amounts (except as otherwise permitted by such applicable Note);

- impair the right to institute suit for the enforcement of any such payment on or with respect to any applicable Note;

- reduce the aforesaid percentage in principal amount of the outstanding applicable Notes, the consent of whose Holders is required for any such supplemental indenture; or

- reduce the aforestated aggregate principal amount of any applicable Note outstanding necessary to modify or amend the applicable Indenture or any such Notes or to waive any future compliance or past default or reduce the quorum requirements or the percentage of aggregate principal amount of any such Notes outstanding required for the adoption of any action at a meeting of Holders of such Notes or reduce the percentage of the aggregate principal amount of such Notes outstanding necessary to rescind or annul any declaration of the principal of and all accrued and unpaid interest on any Notes to be due and payable,

provided that no consent of any Holder of any applicable Note shall be necessary to permit the Trustee, the Issuer and the Guarantor to execute supplemental indentures described under "*—Modification and Waiver——Without Consent of Noteholders*" above.

Any modifications, amendments or waivers to the Indenture or to the conditions of the applicable Notes will be conclusive and binding on all Holders of the applicable Notes, whether or not they have consented to such action or were present at the meeting at which such action was taken (other than in respect of amendments which require the consent of all Holders of such Notes), and on all future Holders of the applicable Notes, whether or not notation of such modifications, amendments or waivers is made upon such Notes. Any instrument given by or on behalf of any Holder of such a Note in connection with any consent to any such modification, amendment or waiver will be irrevocable once given and will be conclusive and binding on all subsequent registered holders of such Note.

Listing

Application has been made for the admission of the Notes to listing on the Official List of the FCA and to trading on the Market.

The Issuer and the Guarantor will use their reasonable best efforts to have such listing and admission to trading become effective and then maintain such listing and admission to trading for so long as any of the Notes remain outstanding.

Notices

So long as any Global Notes representing a given series of the Notes are held in their entirety on behalf of a clearing system, or any of its participants, notices to Holders regarding the Notes will be delivered to the clearing system for communication to its participants. Any such notice shall be deemed to have been given to the participants on the third day after the day on which the said notice was given to the clearing system. If Definitive Notes have been issued, notices to the Holders will (if the Notes are in definitive, certificated form) be mailed by first-class mail (or equivalent) postage prepaid to the Holders at their last registered addresses as they appear in the Notes register. The Issuer and the Guarantor will consider any mailed notice to have been given two Business Days after it has been sent.

In addition, for so long as a given series of the Notes are listed on the Official List of the FCA and admitted to trading on the Market, the Issuer and the Guarantor will comply with the notice and disclosure requirements of the FCA and the Market.

Consent to Service, Submission to Jurisdiction; Enforceability of Judgments

Each of the Issuer and the Guarantor will appoint Corporation Service Company, 1180 Avenue of the Americas, Suite 210, New York, New York 10036, as its process agent for any action brought by a Holder based on the Indenture or the Notes or Guarantees, as applicable, instituted in any state or federal court in the Borough of Manhattan, The City of New York.

Each of the Issuer and the Guarantor will irrevocably submit to the non-exclusive jurisdiction of any state or federal court in the Borough of Manhattan, The City of New York in respect of any action brought by a Holder based on the Notes, the Guarantees or the Indenture. Each of the Issuer and the Guarantor will also irrevocably waive, to the extent permitted by applicable law, any objection to the venue of any of these courts in an action of that type. Holders may, however, be precluded from initiating actions based on the Notes, the Guarantees or the Indenture in courts other than those mentioned above.

Each of the Issuer and the Guarantor will, to the fullest extent permitted by law, irrevocably waive and agree not to plead any immunity from the jurisdiction of any of the above courts in any action based upon the Notes, the Guarantees or the Indenture.

Since a substantial portion of the assets of each of the Issuer and the Guarantor is outside the United States, any judgment obtained in the United States against the Issuer or the Guarantor, including judgments with respect to the payment of principal, premium, interest and any redemption price and any purchase price with respect to the Notes or payments due under the Guarantees, may not be collectable within the United States.

Governing Law

The Indenture, the Notes and the Guarantees shall be governed by and construed in accordance with the laws of the State of New York, without regard to principles of conflicts of laws thereof.

Certain Definitions

Set forth below are certain of the defined terms used in the Notes and the Indenture. You should refer to the Notes and the Indenture for the full set of definitions.

"**Business Day**" means any day which is not, in London, England, New York City, or the place of payment of interest or principal, a Saturday, a Sunday, a legal holiday or a day on which banking institutions in such places are authorised or obligated by law to close.

"**Government Obligations**" means money or obligations issued by the United States government.

"**Group**" means, at any time, the Guarantor together with its Subsidiaries.

"**IFRS**" means International Financial Reporting Standards as adopted by the European Union.

"**Indebtedness**" means all obligations for borrowed money represented by notes, bonds, debentures or similar evidence of indebtedness and obligations for borrowed money evidenced by credit, loan or other like agreements.

"**Mortgage**" means any mortgage, deed of trust, pledge, hypothec, lien, encumbrance, charge or other security interest of any kind.

"**Person**" means any individual, corporation, partnership, joint venture, association, limited liability company, joint stock company, trust, unincorporated organisation or government or any agency or political subdivision thereof.

"**Relevant Jurisdiction**" means any jurisdiction in which the Issuer or any Guarantor is then incorporated, domiciled or resident for tax purposes or any political subdivision thereof or therein.

"**Significant Subsidiary**" means any Subsidiary that would be a "significant subsidiary" under the definition in Article 1, Rule 1-02(w)(2) of Regulation S-X (but as calculated pursuant to IFRS), promulgated pursuant to the Securities Act, as such Regulation is in effect on the date hereof.

"**Subsidiary**" means, at any relevant time, any person of which the voting shares or other interests carrying more than 50 per cent. of the outstanding voting rights attached to all outstanding voting shares or other interests are owned, directly or indirectly, by or for the Guarantor and/or one or more Subsidiaries of the Guarantor.

BOOK-ENTRY CLEARANCE SYSTEMS

The information set out below is subject to any change in or reinterpretation of the rules, regulations and procedures of Euroclear and/or Clearstream, Luxembourg (together, the "Clearing Systems") currently in effect. The information in this section concerning the Clearing Systems has been obtained from sources that the Issuers believes to be reliable, but none of the Initial Purchasers takes any responsibility for the accuracy of such information. Investors wishing to use the facilities of the Clearing Systems are advised to confirm the continued applicability of the rules, regulations and procedures of such facilities. None of the Issuers, the Guarantor, the Trustee under the relevant series of Notes, the Paying Agents, the Registrar nor the Initial Purchasers under the relevant series of Notes will have any responsibility or liability for any aspect of the records relating to, or payments made on account of, beneficial ownership interests in the Notes held through the facilities of the Clearing Systems or for maintaining, supervising or reviewing any records relating to such beneficial ownership interests.

Book-Entry Systems

Euroclear and Clearstream, Luxembourg

Euroclear and Clearstream, Luxembourg each holds securities for their customers and facilitate the clearance and settlement of securities transactions by electronic book-entry transfer between their account holders. Euroclear and Clearstream, Luxembourg provide various services including safekeeping, administration, clearance and settlement of internationally traded securities and securities lending and borrowing. Euroclear and Clearstream, Luxembourg also deal with domestic securities markets in several countries through established depositary and custodial relationships. Euroclear and Clearstream, Luxembourg have established an electronic bridge between their two systems across which their participants may settle trades with each other. Euroclear and Clearstream, Luxembourg customers are worldwide financial institutions, including underwriters, securities brokers and dealers, banks, trust companies and clearing corporations. Indirect access to Euroclear and Clearstream, Luxembourg is available to other institutions that clear through or maintain a custodial relationship with an account holder of either system.

Registration and Form

Book-entry interests in the Pound Sterling Notes held through Euroclear and Clearstream, Luxembourg will be represented by the Pound Sterling Global Notes registered in the name of a nominee of, and held by, a common depositary for Euroclear and Clearstream, Luxembourg. Book-entry interests in the Euro Notes held through Euroclear and Clearstream, Luxembourg will be represented by the Euro Global Notes registered in the name of a nominee of, and held by, a common safekeeper for Euroclear and Clearstream, Luxembourg. As necessary, the Registrar will adjust the amounts of Notes on the Register for the accounts of Euroclear and Clearstream, Luxembourg to reflect the amounts of Notes held through Euroclear and Clearstream, Luxembourg, respectively. Beneficial ownership of book-entry interests in Notes will be held through financial institutions as direct and indirect participants in Euroclear and Clearstream, Luxembourg.

The aggregate holdings of book-entry interests in the Notes in Euroclear and Clearstream, Luxembourg will be reflected in the book-entry accounts of each such institution. Euroclear or Clearstream, Luxembourg, as the case may be, and every other intermediate holder in the chain to the beneficial owner of book-entry interests in the Notes will be responsible for establishing and maintaining accounts for their participants and customers having interests in the book-entry interests in the Notes. The Registrar will be responsible for maintaining a record of the aggregate holdings of Notes registered in the name of a common nominee for Euroclear and Clearstream, Luxembourg and/or, if individual Global Notes are issued in the limited circumstances described under "*Description of Euro Notes—Title*" and "*Description of Pound Sterling Notes—Title*", as applicable , holders of Notes represented by those individual Global Notes. The Fiscal Agent will be responsible for ensuring that payments received by it from the Issuers for holders of book-entry interests in the Notes holding through Euroclear

and Clearstream, Luxembourg are credited to Euroclear or Clearstream, Luxembourg, as the case may be.

The Issuers will not impose any fees in respect of holding the Notes; however, holders of book-entry interests in the Notes may incur fees normally payable in respect of the maintenance and operation of accounts in Euroclear or Clearstream, Luxembourg.

Clearing and Settlement Procedures

Initial Settlement

Upon their original issue, the Notes will be in global form represented by the two Global Notes. Interests in the Notes will be in uncertified book-entry form. Purchasers electing to hold book-entry interests in the Notes through Euroclear and Clearstream, Luxembourg accounts will follow the settlement procedures applicable to conventional Eurobonds. Book-entry interests in the Notes will be credited to Euroclear and Clearstream, Luxembourg participants' securities clearance accounts on the business day following the closing date of this Offering (the closing date of this Offering being the "**Closing Date**") against payment (value the Closing Date).

Secondary Market Trading

Secondary market trades in the Notes will be settled by transfer of title to book-entry interests in the Clearing Systems. Title to such book-entry interests will pass by registration of the transfer within the records of Euroclear or Clearstream, Luxembourg, as the case may be, in accordance with their procedures. Book-entry interests in the Notes may be transferred within Euroclear and within Clearstream, Luxembourg and between Euroclear and Clearstream, Luxembourg in accordance with procedures established for these purposes by Euroclear and Clearstream, Luxembourg. Transfer of book-entry interests in the Notes between Euroclear or Clearstream, Luxembourg may be effected in accordance with procedures established for this purpose by Euroclear and Clearstream, Luxembourg.

General

None of Euroclear or Clearstream, Luxembourg is under any obligation to perform or continue to perform the procedures referred to above, and such procedures may be discontinued at any time. None of the Issuers, the Fiscal Agent or any of their agents will have any responsibility for the performance by Euroclear or Clearstream, Luxembourg or their participants of their obligations under the rules and procedures governing their operations or the arrangements referred to above and none of them will have any liability for any aspect of the records relating to or payments made on account of beneficial interests in the Notes represented by Global Notes or for maintaining, supervising or reviewing any records relating to such beneficial interests.

TAX CONSIDERATIONS

United Kingdom Taxation

The comments below are of a general nature and are not intended to be exhaustive. They assume that there will be no substitution of the Issuers or further issues of securities that will form a single series with the Notes, and do not address the consequences of any such substitution or further issue (notwithstanding that such substitution or further issue may be permitted by the terms and conditions of the Notes). Any Noteholders who are in doubt as to their own tax position should consult their professional advisers.

The comments in this part are a summary of current United Kingdom tax law as applied in England and published HM Revenue & Customs practice (which may not be binding on HM Revenue & Customs) relating to certain aspects of United Kingdom taxation. References to "interest" refer to interest as that term is understood for United Kingdom tax purposes. The comments below do not necessarily apply where the income is deemed for tax purposes to be the income of any other person. They relate only to the position of persons who hold their Notes as investments (regardless of whether the holder also carries on a trade, profession or vocation through a permanent establishment, branch or agency to which the Notes are attributable) and are the absolute beneficial owners thereof. Certain classes of persons such as dealers, certain professional investors, or persons connected with the Issuers may be subject to special rules and this summary does not apply to such Noteholders. The United Kingdom tax treatment of prospective Noteholders depends on their individual circumstances and may be subject to change in the future. Prospective Noteholders who may be subject to tax in a jurisdiction other than the United Kingdom should seek their own professional advice.

Payments of interest on the Notes that do not have a United Kingdom source may be made without deduction or withholding on account of United Kingdom income tax. If interest paid on the Notes does have a United Kingdom source, then payments may be made without deduction or withholding on account of United Kingdom income tax in the following circumstance.

Payments of interest on the Notes may be made without deduction or withholding on account of United Kingdom income tax provided that such Notes are, and continue to be, listed on a "recognised stock exchange" within the meaning of Section 1005 of the Income Tax Act 2007 (the "**ITA**"). The London Stock Exchange is a recognised stock exchange for these purposes. Securities will be treated as listed on the London Stock Exchange if they are included in the Official List (within the meaning of and in accordance with the provisions of Part 6 of the Financial Services and Markets Act 2000) and admitted to trading on the London Stock Exchange. HM Revenue & Customs have confirmed that securities that are admitted to trading on the Markets satisfy the condition of being admitted to trading on the London Stock Exchange. Provided, therefore, that the Notes are, and remain, so listed and the London Stock Exchange continues to be a "recognised stock exchange" within the meaning of Section 1005 of the ITA, interest on the Notes will be payable without withholding or deduction on account of United Kingdom income tax.

In other cases, an amount must generally be withheld from payments of interest on the Notes on account of United Kingdom income tax at the basic rate (currently 20 per cent.), subject to any other available exemptions and reliefs. However, where an applicable double tax treaty provides for a lower rate of withholding tax (or for no tax to be withheld) in relation to interest paid to a Noteholder, HM Revenue & Customs can issue a notice to the relevant Issuers to pay interest to the Noteholder without deduction of tax (or for interest to be paid with tax deducted at the rate provided for in the relevant double tax treaty).

The United Kingdom withholding tax treatment of payments by the Guarantor under the terms of the Guarantees is uncertain. In particular, such payments by the Guarantor may not be eligible for the exemptions described above in relation to payments of interest. Accordingly, if the Guarantor makes

any such payments, these may be subject to United Kingdom withholding tax at the basic rate (currently 20 per cent.).

No UK stamp duty or stamp duty reserve tax is payable on the issue of the Notes or on their subsequent transfer.

Certain U.S. Federal Income Tax Considerations

The following is a summary of certain U.S. federal income tax consequences of the acquisition, ownership and disposition of Notes by a U.S. Holder (as defined below). This summary deals only with initial purchasers of Notes who purchase Notes at the "issue price" (the first price at which a substantial amount of Notes is sold for money, excluding sales to underwriters, placement agents or wholesalers), that are U.S. Holders and that will hold the Notes as capital assets. The discussion does not cover all aspects of U.S. federal income taxation that may be relevant to, or the actual tax effect that any of the matters described herein will have on, the acquisition, ownership or disposition of Notes by particular investors (including consequences under the alternative minimum tax or Medicare tax on net investment income), and does not address U.S. federal non-income (such as estate or gift), state, local or non-U.S. tax laws. This summary also does not discuss all of the tax considerations that may be relevant to certain types of investors subject to special treatment under the U.S. federal income tax laws (such as financial institutions, insurance companies, individual retirement accounts and other tax- deferred accounts, tax-exempt organisations, dealers in securities or commodities, investors that will hold the Notes as part of straddles, hedging transactions or conversion transactions for U.S. federal income tax purposes, entities or arrangements treated as partnerships for U.S. federal income tax purposes or investors therein, persons that have ceased to be U.S. citizens or lawful permanent residents of the United States, investors holding the Notes in connection with a trade or business conducted outside of the United States, U.S. citizens or lawful permanent residents living abroad or U.S. Holders whose functional currency is not the U.S. dollar).

As used herein, the term "**U.S. Holder**" means a beneficial owner of Notes that is, for U.S. federal income tax purposes, (i) an individual citizen or resident of the United States, (ii) a corporation created or organised under the laws of the United States, any state thereof or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income tax without regard to its source or (iv) a trust if (A)(i) a court within the United States is able to exercise primary supervision over the administration of the trust and (ii) one or more U.S. persons have the authority to control all substantial decisions of the trust, or (B) the trust has validly elected to be treated as a domestic trust for U.S. federal income tax purposes. A "**Non-U.S. Holder**" is a beneficial owner of Notes that is neither a U.S. Holder nor an entity or arrangement treated as a partnership for U.S. federal income tax purposes.

The U.S. federal income tax treatment of a partner in an entity or arrangement treated as a partnership for U.S. federal income tax purposes that holds Notes will depend on the status of the partner and the activities of the partnership. Prospective purchasers that are entities or arrangements treated as partnerships for U.S. federal income tax purposes should consult their tax advisers concerning the U.S. federal income tax consequences to them and their partners of the acquisition, ownership and disposition of Notes by the partnership.

This summary is based on the tax laws of the United States, including the Code, its legislative history, existing and proposed regulations thereunder, published rulings and court decisions, all as of the date hereof and all subject to change at any time, possibly with retroactive effect.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. ALL PROSPECTIVE PURCHASERS SHOULD CONSULT THEIR TAX ADVISERS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF ACQUIRING, OWNING AND DISPOSING OF THE NOTES, INCLUDING THE

APPLICABILITY AND EFFECT OF U.S. FEDERAL NON-INCOME, STATE, LOCAL AND NON-U.S. TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Payments of Interest

Interest on a Note generally will be taxable to a U.S. Holder as ordinary income at the time it is received or accrued, depending on such holder's method of accounting for U.S. federal income tax purposes.

The amount of income recognized by a cash basis U.S. Holder will be the U.S. Dollar value of the interest payment, based on the exchange rate in effect on the date of receipt, regardless of whether the payment is in fact converted into U.S. Dollars. An accrual basis U.S. Holder may determine the amount of income recognized with respect to an interest payment denominated in, or determined by reference to, a foreign currency in accordance with either of two methods. Under the first method, the amount of income accrued will be based on the average exchange rate in effect during the interest accrual period (or, with respect to an accrual period that spans two taxable years of a U.S. Holder, the part of the period within the taxable year). Under the second method, the U.S. Holder may elect to determine the amount of income accrued on the basis of the exchange rate in effect on the last day of the accrual period or, in the case of an accrual period that spans two taxable years, the exchange rate in effect on the last day of the part of the period within the taxable year. Additionally, if a payment of interest is actually received within five business days of the last day of the accrual period or taxable year, an electing accrual basis U.S. Holder may instead translate the accrued interest into U.S. Dollars at the exchange rate in effect on the day of actual receipt. Any such election will apply to all debt instruments held by the U.S. Holder at the beginning of the first taxable year to which the election applies or thereafter acquired by the U.S. Holder, and will be irrevocable without the consent of the IRS. Upon receipt of the interest payment an accrual basis U.S. Holder will recognize U.S. source exchange gain or loss (taxable as ordinary income or loss) equal to the difference, if any, between the amount received (translated into U.S. Dollars at the spot rate on the date of receipt) and the amount previously accrued, regardless of whether the payment is in fact converted into U.S. Dollars.

Other than the U.S. source exchange gain or loss specified above, interest paid by the Issuers on the Notes (including any amounts withheld and any Additional Amounts paid in respect of withholding taxes imposed on payments on the Notes) constitutes income from sources outside the United States. For purposes of computing allowable foreign tax credits for U.S. federal income tax purposes, interest generally will be treated as "passive category" income, or, in the case of certain U.S. Holders, "general category" income. The rules relating to foreign tax credits are complex and prospective purchasers should consult their tax advisers concerning the applicability of the foreign tax credit and source of income rules to income attributable to the Notes.

Sale, Retirement or Other Taxable Disposition of the Notes

A U.S. Holder generally will recognise gain or loss on the sale, retirement or other taxable disposition of a Note equal to the difference between the amount realised on the sale, retirement or other taxable disposition and the U.S. Holder's tax basis in the Note. A U.S. Holder's tax basis in a Note generally will be its cost. The amount realised does not include the amount attributable to accrued but unpaid interest, which will be taxable as interest income to the extent not previously included in income. A U.S. Holder's tax basis will be determined by reference to the U.S. Dollar cost of the Notes. The U.S. Dollar cost of a Note purchased with a foreign currency will generally be the U.S. Dollar value of the purchase price on the date of purchase or, in the case of Notes traded on an established securities market, as defined in the applicable U.S. Treasury regulations, that are purchased by a cash basis U.S. Holder (or an accrual basis U.S. Holder that so elects), on the settlement date for the purchase.

The amount realized on a sale or other disposition for an amount in foreign currency will be the U.S. Dollar value of this amount on the date of sale or other disposition or, in the case of Notes traded on an established securities market, as defined in the applicable U.S. Treasury regulations, sold by a cash

basis U.S. Holder (or an accrual basis U.S. Holder that so elects), on the settlement date for the sale. Such an election by an accrual basis U.S. Holder must be applied consistently from year to year and cannot be revoked without the consent of the IRS. U.S. Holders should consult their own tax advisers about the availability of this treatment (and in the case of accrual basis U.S. Holders, the advisability of making this election). Except to the extent attributable to accrued but unpaid interest or changes in exchange rates, gain or loss recognized on the sale or other disposition of a Note will be capital gain or loss and will generally be treated as from U.S. sources for purposes of the U.S. foreign tax credit limitation.

Gain or loss recognized by a U.S. Holder on the sale or other disposition of a Note that is attributable to changes in exchange rates will be treated as U.S. source ordinary income or loss. However, exchange gain or loss is taken into account only to the extent of total gain or loss realized on the transaction.

Non-U.S. Holders

A Non-U.S. Holder generally should not be subject to U.S. federal income or withholding tax on any payments on the Notes and gain from the sale, redemption or other disposition of the Notes unless: (i) that payment and/or gain is effectively connected with the conduct by that Non-U.S. Holder of a trade or business in the U.S. (and, if an income tax treaty applies, it is attributed to a U.S. permanent establishment); or (ii) in the case of any gain realised on the sale or exchange of a Note by an individual Non-U.S. Holder, that Holder is present in the U.S. for 183 days or more in the taxable year of the sale, exchange or retirement and certain other conditions are met.

Information Reporting and Backup Withholding

Payments of principal and interest on, and the proceeds of sale, retirement or other taxable disposition of Notes by a U.S. paying agent or other U.S. intermediary will be reported to the IRS and to the U.S. Holder as may be required under applicable U.S. Treasury regulations. Backup withholding may apply to these payments if the U.S. Holder fails to provide an accurate taxpayer identification number or certification of exempt status or fails to comply with applicable certification requirements. Certain U.S. Holders are not subject to backup withholding. Non-U.S. Holders may need to provide certification establishing that they are not U.S. Holders for this purpose. U.S. Holders should consult their tax advisers about these rules and any other reporting obligations that may apply to the ownership or disposition of Notes, including requirements related to the holding of certain "specified foreign financial assets".

U.S. Treasury Regulations meant to require the reporting of certain tax shelter transactions ("**Reportable Transactions**") could be interpreted to cover transactions generally not regarded as tax shelters, including certain foreign currency transactions. Under the U.S. Treasury Regulations, certain transactions with respect to the Euro Notes and Pound Sterling Notes may be characterized as Reportable Transactions including, in certain circumstances, a sale, exchange, retirement or other taxable disposition of a note denominated in a foreign currency. Persons considering the purchase of such Notes should consult with their tax advisers to determine the tax return obligations, if any, with respect to an investment in such Notes, including any requirement to file IRS Form 8886 (Reportable Transaction Disclosure Statement).

Netherlands Taxation

The comments below outline certain aspects of Dutch tax law and do not purport to be a comprehensive description of all Dutch tax considerations that may be relevant. The comments are intended as general information only and are not intended to be exhaustive. They assume that there will be no substitution of the Issuers or further issues of securities that will form a single series with the Notes, and do not address the consequences of any such substitution or further issue (notwithstanding that such substitution or further issue may be permitted by the terms and conditions of the Notes). Each

prospective investor should consult a professional tax adviser with respect to the tax consequences of the acquisition, holding, redemption and disposal of Notes.

The comments in this part are based on tax legislation, published case law, treaties, regulations and published policy, in each case as in force as of the date of this Offering Memorandum, and they do not take into account any developments or amendments thereof after that date whether or not such developments or amendments have retroactive effect.

Where the comments refer to the Netherlands, such reference is restricted to the part of the Kingdom of the Netherlands that is situated in Europe and the legislation applicable in that part of the Kingdom.

Where in this summary English terms and expressions are used to refer to Dutch concepts, the meaning to be attributed to such terms and expressions shall be the meaning to be attributed to the equivalent Dutch concepts under Dutch tax law.

Withholding tax

All payments made by the Issuers under the Notes may be made free of withholding or deduction for any taxes of whatsoever nature imposed, levied, withheld or assessed by the Netherlands or any political subdivision or taxing authority thereof or therein.

However, as of 1 January 2021 Dutch withholding tax may apply on certain (deemed) payments of interest made by the Issuer of the Euro Notes to an affiliated (*gelieerde*) entity of the Issuer of the Euro Notes if such entity (i) is considered to be resident of a jurisdiction that is listed in the yearly updated Dutch Regulation on low-taxing states and non-cooperative jurisdictions for tax purposes (*Regeling laagbelastende staten en niet-coöperatieve rechtsgebieden voor belastingdoeleinden*), or (ii) has a permanent establishment located in such jurisdiction to which the interest is attributable, or (iii) is entitled to the interest payable for the main purpose or one of the main purposes to avoid taxation of another person, or (iv) is a hybrid entity, or (v) is not resident in any jurisdiction, all within the meaning of the Dutch Withholding Tax Act 2021 (*Wet bronbelasting 2021*).

No registration tax, customs duty, transfer tax, stamp duty, capital tax or any other similar documentary tax or duty will be payable in the Netherlands by a holder in respect of or in connection with the subscription, issue, placement, allotment, delivery or transfer of the Notes.

CERTAIN ERISA CONSIDERATIONS

Unless otherwise provided in any supplement to this Offering Memorandum, the Notes should be eligible for purchase by employee benefit plans and other plans subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended ("**ERISA**"), and/or the provisions of Section 4975 of the Code and by governmental, church and non-U.S. plans that are subject to any federal, state, local or non-U.S. law or regulation that is substantially similar to the provisions of Section 406 of ERISA and/or Section 4975 of the Code ("**Similar Law**") subject to consideration of the issues described in this section. ERISA imposes certain requirements on "employee benefit plans" (as defined in Section 3(3) of ERISA) subject to ERISA, including entities such as collective investment funds and separate accounts whose underlying assets include the assets of such plans (collectively, "**ERISA Plans**"), and on those persons who are fiduciaries with respect to ERISA Plans. Investments by ERISA Plans are subject to ERISA's general fiduciary requirements, including the requirements of investment prudence and diversification and the requirement that an ERISA Plan's investments be made in accordance with the documents governing the ERISA Plan. The prudence of a particular investment must be determined by the responsible fiduciary of an ERISA Plan by taking into account the ERISA Plan's particular circumstances and all of the facts and circumstances of the investment including, but not limited to, the matters discussed under "*Risk Factors*".

Section 406 of ERISA and Section 4975 of the Code prohibit certain transactions involving the assets of an ERISA Plan (as well as those plans that are not subject to ERISA but which are subject to Section 4975 of the Code, such as individual retirement accounts (together with ERISA Plans, the "**Plans**")) and certain persons (referred to as "parties in interest" or **"**disqualified persons") having certain relationships to such Plans, unless a statutory or administrative exemption is applicable to the transaction. A party in interest or disqualified person, including a Plan fiduciary, who engages in a prohibited transaction may be subject to excise taxes and other penalties and liabilities under ERISA and the Code.

The Issuers, the Guarantor, the Trustee, the Paying Agent, the Transfer Agent, the Registrar, the Initial Purchasers or any other party to the transactions referred to in this Offering Memorandum may be parties in interest or disqualified persons with respect to many Plans. Prohibited transactions within the meaning of Section 406 of ERISA or Section 4975 of the Code may arise if any of the Notes is acquired or held by a Plan, including but not limited to where the Issuers, the Guarantor, the Trustee, the Paying Agent, the Transfer Agent, the Registrar, the Initial Purchasers or any other party to such transactions is a party in interest or a disqualified person. Certain exemptions from the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code may be applicable, however, depending in part on the type of Plan fiduciary making the decision to acquire any Notes and the circumstances under which such decision is made. Included among these exemptions are Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code (relating to transactions between a person that is a party in interest (other than a fiduciary or an affiliate that has or exercises discretionary authority or control or renders investment advice with respect to assets involved in the transaction) solely by reason of providing services to the plan, provided that there is adequate consideration for the transaction), Prohibited Transaction Class Exemption ("**PTCE**") 91-38 (relating to investments by bank collective investment funds), PTCE 84-14 (relating to transactions effected by a qualified professional asset manager), PTCE 95-60 (relating to transactions involving insurance company general accounts), PTCE 90-1 (relating to investments by insurance company pooled separate accounts) and PTCE 96-23 (relating to transactions determined by in-house asset managers). Prospective investors should consult with their advisors regarding the prohibited transaction rules and these exceptions. There can be no assurance that any of these exemptions or any other exemption will be available with respect to any particular transaction involving any Notes.

Governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and non-U.S. plans (as described in Section 4(b)(4) of ERISA), while not

subject to the fiduciary responsibility provisions of ERISA or the prohibited transaction provisions of Section 406 of ERISA and Section 4975 of the Code, may nevertheless be subject to Similar Law. Fiduciaries of any such plans should consult with their counsel before purchasing the Notes to determine the need for, if necessary, and the availability of, any exemptive relief under any Similar Law.

In addition, the U.S. Department of Labor has promulgated a regulation, 29 C.F.R. Section 2510.3-101, as modified by Section 3(42) of ERISA (the "**Plan Asset Regulation**"), describing what constitutes the assets of a Plan with respect to the Plan's investment in an entity for purposes of certain provisions of ERISA, including the fiduciary responsibility provisions of Title I of ERISA, and Section 4975 of the Code. Under the Plan Asset Regulation, if a Plan invests in an equity interest of an entity that is neither a publicly-offered security nor a security issued by an investment company registered under the United States Investment Company Act of 1940, the Plan's assets include both the equity interest and an undivided interest in each of the entity's underlying assets, unless one of the exceptions to such treatment described in the Plan Asset Regulation applies. Under the Plan Asset Regulation, a security which is in the form of debt may be considered an equity interest if it has substantial equity features. If an Issuer was deemed under the Plan Asset Regulation to hold plan assets by reason of a Plan's investment in any of the Notes, such plan assets would include an undivided interest in the assets held by the Issuer and transactions by the Issuer would be subject to the fiduciary responsibility provisions of Title I of ERISA and the prohibited transaction provisions of ERISA and Section 4975 of the Code. The Plan Asset Regulation provides, however, that if equity participation in any entity by "Benefit Plan Investors" is not significant, then the "look-through" rule will not apply to such entity. The term "Benefit Plan Investors" is defined in the Plan Asset Regulation to include (1) any employee benefit plan (as defined in Section 3(3) of ERISA) subject to Title I of ERISA, (2) any plan described in Section 4975(e)(1) of the Code, and (3) any entity whose underlying assets include "plan assets" by reason of any such employee benefit plan's or plan's investment in the entity. Equity participation by Benefit Plan Investors in any entity is significant if, immediately after the most recent acquisition of any equity interest in the entity, 25 per cent. or more of the total value of any class of equity interests in the entity (excluding the value of any interests held by certain persons, other than Benefit Plan Investors, exercising control over the assets of the entity or providing investment advice to the entity for a fee or any affiliates of such persons) is held by Benefit Plan Investors. If, as a result of any investment, 25 per cent. or more of the total value of any class of equity interests in an Issuer is being held by Benefit Plan Investors, the applicable Notes may be redeemed by the Issuers. While there is little pertinent authority in this area and no assurance can be given, the Issuers believe that the Notes should not be treated as equity interests for the purposes of the Plan Asset Regulation and, therefore, the Plan Asset Regulation should not apply and any such redemptions would not be necessary.

Accordingly, except as otherwise provided in any supplement to this Offering Memorandum, each purchaser and subsequent transferee of any Notes will represent and warrant, on each day from the date on which the purchaser or transferee acquires such Notes (or any interests therein) through and including the date on which the purchaser or transferee disposes of such Notes (or any interests therein), either that (a) it is not, and for so long as it holds such Notes (or any interests therein) will not be, and will not be acting on behalf of, a Plan or any entity whose underlying assets include, or are deemed for purposes of ERISA or the Code to include, the assets of any Plan or a governmental, church or non-U.S. plan which is subject to any Similar Law or (b) its acquisition, holding and disposition of such Notes (or any interests therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code (or, in the case of a governmental, church or non-U.S. plan subject to Similar Law, a violation of any Similar Law).

Each Plan fiduciary who is responsible for making the investment decisions whether to purchase or commit to purchase and to hold any of the Notes should determine whether, under the documents and instruments governing the Plan, an investment in such Notes is appropriate for the Plan, taking into account the overall investment policy of the Plan and the composition of the Plan's investment portfolio. Any Plan proposing to invest in such Notes (including any governmental, church or non-U.S. plan)

should consult with its counsel to confirm that such investment will not constitute or result in a non-exempt prohibited transaction and will satisfy the other requirements of ERISA and the Code (or, in the case of a governmental, church or non-U.S. plan, any Similar Law).

The sale of any Notes to a Plan is in no respect a representation by the Issuers, the Guarantor, the Trustee, the Paying Agent, the Transfer Agent, the Registrar, the Initial Purchasers or any other party to the transactions that such an investment meets all relevant legal requirements with respect to investments by Plans generally or any particular Plan, or that such an investment is appropriate for Plans generally or any particular Plan.

Any further ERISA considerations with respect to the Notes may be found in the relevant supplement.

The above discussion is a summary of some of the material considerations under ERISA and Section 4975 of the Code applicable to prospective investors that are Plans. It is not intended to be a complete discussion nor to be construed as legal advice or a legal opinion. Prospective investors should consult their own counsel on these matters.

PLAN OF DISTRIBUTION

Deutsche Bank AG, London Branch, Deutsche Bank Aktiengesellschaft, HSBC Bank plc, J.P. Morgan Securities plc and Morgan Stanley & Co. International plc are acting as representatives to the Initial Purchasers (the "**Representatives**"). The Issuers have agreed to sell to the Initial Purchasers, and the Initial Purchasers have severally agreed to purchase from the Issuers, the entire principal amount of the Notes if any of the Notes are purchased. The sale will be made pursuant to the purchase agreements among the Issuers, the Guarantor and the relevant Initial Purchasers, dated 12 May 2020 (the "**Purchase Agreements**").

The Issuers have agreed to sell to the Initial Purchasers, and the Initial Purchasers have severally agreed to purchase from the Issuers, the principal amount of the Notes set forth below.

	Principal Amount		
Initial Purchaser	**2026 Euro Notes**	**2030 Euro Notes**	**Pound Sterling Notes**
Deutsche Bank Aktiengesellschaft	€106,250,000	€106,250,000	–
Deutsche Bank AG, London Branch	–	–	£62,500,000
HSBC Bank plc	€106,250,000	€106,250,000	£62,500,000
J.P. Morgan Securities plc	€106,250,000	€106,250,000	£62,500,000
Morgan Stanley & Co. International plc	€106,250,000	€106,250,000	£62,500,000
BNP Paribas	€42,500,000	€42,500,000	£25,000,000
Merrill Lynch International	€42,500,000	€42,500,000	£25,000,000
Citigroup Global Markets Limited	€42,500,000	€42,500,000	£25,000,000
Mizuho International plc	€42,500,000	€42,500,000	£25,000,000
MUFG Securities EMEA plc	€42,500,000	€42,500,000	£25,000,000
RBC Europe Limited	€42,500,000	€42,500,000	£25,000,000
Banco Santander, S.A.	€42,500,000	€42,500,000	£25,000,000
SMBC Nikko Capital Markets Limited	€42,500,000	€42,500,000	£25,000,000
Société Générale	€42,500,000	€42,500,000	£25,000,000
Standard Chartered Bank	€42,500,000	€42,500,000	£25,000,000
Total	€850,000,000	€850,000,000	£500,000,000

The obligations of the Initial Purchasers under the Purchase Agreements, including their agreement to purchase the Notes from the Issuers, are several and not joint. The Purchase Agreements provide that the Initial Purchasers will purchase all the Notes if any of them are purchased.

The Initial Purchasers initially propose to offer the Notes for resale at the issue prices that appear on the cover of this Offering Memorandum. After the initial Offering, the Initial Purchasers may change the offering prices and any other selling terms at any time without notice. The Initial Purchasers may offer and sell Notes through certain of their affiliates.

Persons who purchase the Notes from the Initial Purchasers may be required to pay stamp duty, taxes and other charges in accordance with the laws and practice of the country of purchase in addition to the offering prices set forth on the cover page hereof.

The Purchase Agreements provide that the obligations of the Initial Purchasers to pay for and accept delivery of the Notes are subject to, among other conditions, the delivery of certain legal opinions by their counsel and our counsel. The Purchase Agreements also provide that, if an Initial Purchaser

defaults, the purchase commitments of non-defaulting Initial Purchasers may be increased or, in some cases, the Offering may be terminated.

The Purchase Agreements provide that the Issuers and the Guarantor will indemnify and hold harmless the Initial Purchasers against certain liabilities, including liabilities under the Securities Act, and will contribute to payments that the Initial Purchasers may be required to make in respect thereof.

No action has been taken in any jurisdiction, including the United States and the United Kingdom, by the Issuers, the Guarantor or the Initial Purchasers that would permit a public offering of the Notes or the possession, circulation or distribution of this Offering Memorandum or any other material relating to the Issuers, the Guarantor or the Notes in any jurisdiction where action for this purpose is required. Accordingly, the Notes and the Guarantees may not be offered or sold, directly or indirectly, and neither this Offering Memorandum nor any other offering material or advertisements in connection with the Notes and the Guarantees may be distributed or published, in or from any country or jurisdiction, except under circumstances that would result in compliance with any applicable rules and regulations of any such country or jurisdiction. This Offering Memorandum does not constitute an offer to sell or a solicitation of an offer to purchase in any jurisdiction where such offer or solicitation would be unlawful. Persons into whose possession this Offering Memorandum comes are advised to inform themselves about and to observe any restrictions relating to the Offering, the distribution of this Offering Memorandum and resale of the Notes. See "*Transfer Restrictions*".

The Issuers and the Guarantor have also agreed that they will not at any time offer, sell, contract to sell, pledge or otherwise dispose of, directly or indirectly, any securities under circumstances in which such offer, sale, pledge, contract or disposition would cause the exemption afforded by Section 4(a)(2) of the Securities Act or the safe harbours of Rule 144A and Regulation S to cease to be applicable to the offer and sale of the Notes.

During the period beginning on the date of this Offering Memorandum and continuing to the date that is 60 days after the closing of this Offering, no member of the Group will, without the prior written consent of the Representatives, directly or indirectly, issue, sell, offer or agree to sell, grant any option for the sale of, or otherwise dispose of (except as contemplated hereunder), other than commercial paper, any debt securities of the Issuers or the Guarantor or any of its subsidiaries (or guaranteed by the Issuers or the Guarantor or any of its subsidiaries) or other securities of the Issuers or the Guarantor or any of its subsidiaries (or guaranteed by the Issuers or the Guarantor or any of its subsidiaries) that are convertible into, or exchangeable for, the Notes or other debt securities (other than the Notes).

The Notes are new issues of securities for which there are currently no markets. Application has been made to the FCA for the Notes to be admitted to the Official List of the FCA and for the Notes to be admitted to trading on the Market. However, the Issuers cannot assure you that the Notes will be approved for listing or that such listing will be maintained.

The Initial Purchasers have advised the Issuers that they intend to make a market in each series of the Notes as permitted by applicable law. The Initial Purchasers are not obligated, however, to make a market in the Notes, and any market-making activity may be discontinued at any time at the sole discretion of the Initial Purchasers without notice. In addition, any such market- making activity will be subject to the limits imposed by the Securities Act and the Exchange Act. Accordingly, the Issuers cannot assure you that any markets for the Notes will develop, that they will be liquid if they do develop, or that you will be able to sell any Notes at a particular time or at prices which will be favourable to you. See "*Risk Factors—Risks Relating to the Notes—There may not be active trading markets for any series of the Notes, in which case your ability to sell the Notes may be limited*".

In connection with the Offering, the Stabilisation Managers (or persons acting on behalf of each of the Stabilisation Managers) may over-allot Notes or effect transactions with a view to supporting the market prices of the Notes at levels higher than that which might otherwise prevail. However, stabilisation may

not necessarily occur. Any stabilisation action may begin on or after the date on which adequate public disclosure of the terms of the offer of the Notes is made and, if begun, may cease at any time, but it must end no later than the earlier of 30 days after the day on which the Issuer receives the proceeds of the Notes and 60 days after the date of the allotment of the Notes. Any stabilisation action or over-allotment must be conducted by the Stabilisation Managers or persons acting on behalf of each of the Stabilisation Managers in accordance with all applicable laws and rules and will be undertaken at the offices of the stabilising manager(s) (or persons acting on their behalf) and on the market.

Certain of the Initial Purchasers and their affiliates have engaged, and may in the future engage, in investment banking and/or commercial banking transactions with, and may perform services for, the Group in the ordinary course of business, for which they have received or may receive customary fees and commissions. In addition, in the ordinary course of their business activities, the Initial Purchasers and their affiliates may make or hold a broad array of investments and actively trade debt and equity securities (or related derivative securities) and financial instruments (including bank loans) for their own account and for the accounts of their customers. Such investments and securities activities may involve securities and/or instruments of the Group. If any of the Initial Purchasers or their affiliates have a lending relationship with the Group, certain of those Initial Purchasers or their affiliates routinely hedge, and certain other of those Initial Purchasers or their affiliates may hedge, their credit exposure to us consistent with their customary risk management policies. Typically, such Initial Purchasers and their affiliates would hedge such exposure by entering into transactions which consist of either the purchase of credit default swaps or the creation of short positions in our securities including potentially the Notes offered hereby. Any such credit default swaps or short positions could adversely affect future trading prices of the Notes offered hereby. The Initial Purchasers and their affiliates may also make investment recommendations and/or publish or express independent research views in respect of such securities or financial instruments and may hold, or recommend to clients that they acquire, long and/or short positions in such securities and instruments.

It is expected that the delivery of the Notes will be made against payment on the Notes on or about the date specified on the cover page of this Offering Memorandum, which will be 5 business days (as such term is used for purposes of Rule 15c6-1 of the Exchange Act) following the date of pricing of the Notes (this settlement cycle is being referred to as "**T+5**"). Under Rule 15c6-1 of the Exchange Act, trades in the U.S. secondary market generally are required to settle in two business days ("**T+2**"), unless the parties to any such trade expressly agree otherwise. Accordingly, purchasers who wish to trade the Notes prior to delivery of the Notes hereunder will be required, by virtue of the fact that the notes initially will not settle in T+2, to specify an alternative settlement cycle at the time of such trade to prevent a failed settlement and should consult their own adviser. Settlement procedures in other countries may vary and purchasers of Notes may be affected by such local settlement practices. Purchasers of the Notes who wish to make such trades should consult their own advisors.

Prohibition of Sales to EEA Investors

Each Initial Purchaser has represented and agreed that it has not offered, sold or otherwise made available and will not offer, sell or otherwise make available any Notes which are the subject of the offering contemplated by this Offering Memorandum in relation thereto to any retail investor in the European Economic Area. For the purposes of this provision:

(a) the expression "**retail investor**" means a person who is one (or more) of:

(i) a retail client as defined in point (11) of Article 4(1) of Directive 2014/65/EU (as amended, "**MiFID II**"); or

(ii) a customer within the meaning of Directive (EU) 2016/97 (as amended, the "**Insurance Distribution Directive**"), where that customer would not qualify as a professional client as defined in point (10) of Article 4(1) of MiFID II.

United States

The Notes and the Guarantees have not been and will not be registered under the Securities Act and may not be offered or sold within the United States or to, or for the account or benefit of, U.S. persons, except in certain transactions exempt from the registration requirements of the Securities Act. Accordingly, the Notes are being offered and sold only (i) outside the United States in reliance on Regulation S and (ii) within the United States to QIBs in accordance with Rule 144A to persons who are not U.S. persons.

Each Initial Purchaser has represented and agreed that, except as permitted by the Purchase Agreements, it will not offer or sell the Notes and the Guarantees (i) as part of their distribution at any time or (ii) otherwise until 40 days after the later of the commencement of the Offering and the Closing Date for the sale of any Notes pursuant to the Purchase Agreements (the "**distribution compliance period**"), within the United States or to, or for the account or benefit of, U.S. persons, except in accordance with Rule 144A or Rule 903 of Regulation S. Each Initial Purchaser has also agreed that it, each of its affiliates and each person acting on its or their behalf has complied and will comply with the offering restriction requirements of Regulation S; and that at or prior to confirmation of a sale of Notes (other than a sale pursuant to Rule 144A, if permitted) it will have sent to each distributor, dealer or other person receiving a selling concession, fee or other remuneration to which it sells Notes during the distribution compliance period a confirmation or other notice setting forth the restrictions on offers and sales of the Notes within the United States or to, or for the account or benefit of, U.S. persons.

Terms used in the preceding two paragraphs have the meanings ascribed to them by Rule 144A and Regulation S under the Securities Act, as applicable.

In addition, until 40 days after the commencement of the Offering of the Notes and the Guarantees, an offer or sale of Notes or Guarantees within the United States by any dealer (whether or not participating in the Offering) may violate the registration requirements of the Securities Act.

United Kingdom

Each Initial Purchaser has represented and agreed that:

(a) it has only communicated or caused to be communicated and will only communicate or cause to be communicated an invitation or inducement to engage in investment activity (within the meaning of Section 21 of the FSMA) received by it in connection with the issue or sale of the Notes in circumstances in which Section 21(1) of the FSMA does not apply to the Issuers or the Guarantor; and

(b) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Notes in, from or otherwise involving the United Kingdom.

Canada

The Notes may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the Notes must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this Offering Memorandum (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the

purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* ("**NI 33-105**"), the Initial Purchasers are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this Offering.

Hong Kong

Each Initial Purchaser has represented and agreed that:

(a) it has not offered or sold and will not offer or sell in Hong Kong, by means of any document, any Notes other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571) of Hong Kong (the "**SFO**") and any rules made under the SFO, or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) ("**C(WUMP)O**") of Hong Kong or which do not constitute an offer to the public within the meaning of C(WUMP)O; and

(b) it has not issued or had in its possession for the purposes of issue, and will not issue or have in its possession for the purposes of issue, whether in Hong Kong or elsewhere, any advertisement, invitation or document relating to the Notes, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to Notes which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made under the SFO.

Singapore

Each Initial Purchaser has acknowledged that this Offering Memorandum has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each Initial Purchaser has represented, warranted and agreed that it has not offered or sold any Notes or caused the Notes to be made the subject of an invitation for subscription or purchase and will not offer or sell any Notes or cause the Notes to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this Offering Memorandum or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the Notes, whether directly or indirectly, to any person in Singapore other than (i) to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "**SFA**")) pursuant to Section 274 of the SFA, (ii) to a relevant person (as defined in Section 275(2) if the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275, of the SFA, or (iii) otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the Notes are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

(a) a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

(b) a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (howsoever described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the Notes pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018 of Singapore.

Notice to Investors in Singapore

Notification under Section 309B(1)(c) of the SFA

In connection with Section 309B of the SFA and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the "**CMP Regulations 2018**"), the Issuers have determined, and hereby notify all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are prescribed 'capital markets products' (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Japan

The Notes have not been, and will not be, registered under the Financial Instruments and Exchange Act of Japan (Act No. 25 of 1948, as amended, the "**Financial Instruments and Exchange Act**"). Accordingly, each Initial Purchaser has represented and agreed that it has not offered or sold any Notes, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan (which term as used herein means any person resident in Japan, including any corporation or other entity organised under the laws of Japan) or to others for re-offering or re-sale, directly or indirectly, in Japan or to, or for the benefit of, any resident of Japan except pursuant to an exemption from the registration requirements of, and otherwise in compliance with, the Financial Instruments and Exchange Act and any other relevant laws and regulations of Japan.

TRANSFER RESTRICTIONS

The Notes and the Guarantees have not been and will not be registered under the Securities Act or any state securities laws and, unless so registered, may not be offered, sold or delivered except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Notes offered hereby are being offered and sold only (i) within the United States to QIBs in reliance on Rule 144A under the Securities Act and (ii) in offshore transactions to non-US persons in reliance on Regulation S under the Securities Act.

Each purchaser of Notes, by its acceptance thereof, will be deemed to have acknowledged, represented to and agreed with the Issuers and the Initial Purchasers as follows:

1. It understands and acknowledges that the Notes and the Guarantees have not been and will not be registered under the Securities Act or any other applicable securities law, are being offered for resale in transactions not requiring registration under the Securities Act or any other securities law, including sales pursuant to Rule 144A under the Securities Act, and may not be offered, sold or otherwise transferred within the United States except in compliance with the registration requirements of the Securities Act or any other applicable securities law, pursuant to an exemption therefrom or in any transaction not subject thereto, and in each case in compliance with the conditions for transfer set forth in paragraphs 3 and 5 below.

2. It is not an "affiliate" (as defined in Rule 144 under the Securities Act) of the Issuers or the Guarantors, nor acting on behalf of the Issuers or the Guarantors and it is either:

   - a QIB and is aware that any sale of Notes to it will be made in reliance on Rule 144A under the Securities Act, of which the purchase will be for its own account or for the account of another QIB; or

   - purchasing the Notes in an offshore transaction in accordance with Regulation S under the Securities Act and not a US person.

3. It acknowledges that none of the Issuers, the Guarantors, or the Initial Purchasers, nor any person representing the Issuers, the Guarantors, their respective subsidiaries or the Initial Purchasers, has made any representation to it with respect to the Offering or sale of any Notes, other than the information contained in this Offering Memorandum, which has been delivered to it and upon which it is relying in making its investment decision with respect to the Notes. It has had access to such financial and other information concerning the Issuers, the Guarantors and the Notes as it has deemed necessary in connection with its decision to purchase any of the Notes.

4. It is purchasing the Notes for its own account, or for one or more investor accounts for which it is acting as a fiduciary or agent, in each case for investment, and not with a view to, or for offer or sale in connection with, any distribution thereof in violation of the Securities Act or any state securities laws, subject to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and subject to its or their ability to resell such Notes pursuant to Rule 144A, Regulation S or any other exemption from registration available under the Securities Act.

5. If such a purchaser is a purchaser of Notes issued in reliance on Rule 144A, it agrees on its own behalf and on behalf of any investor account for which it is purchasing the Notes, and each subsequent holder of the Notes by its acceptance thereof will be deemed to agree not to offer, sell or otherwise transfer such Notes except (i) to the Issuers or the Guarantors, (ii) pursuant to a registration statement that has been declared effective under the Securities Act, (iii) for so long as the Notes are eligible for resale pursuant to Rule 144A under the Securities Act, to a person it reasonably believes is a QIB that purchases for its own account or for the account of

a QIB to whom notice is given that the transfer is being made in reliance on Rule 144A under the Securities Act, (iv) pursuant to offers and sales that occur outside the US in compliance with Regulation S under the Securities Act or (v) pursuant to any other available exemption from the registration requirements of the Securities Act, subject in each of the foregoing cases to any requirement of law that the disposition of its property or the property of such investor account or accounts be at all times within its or their control and in compliance with any applicable state securities laws, and any applicable local laws and regulations, and further subject to the Issuers', the Trustee's and the Agent's rights prior to any such offer, sale or transfer (A) pursuant to clause (v) to require the delivery of an opinion of counsel, certification and/or other information satisfactory to each of them and (B) in each of the foregoing cases, to require that a transfer notice in the form attached as a schedule to the Indenture is completed and delivered by the transferor to the Agent.

6. It understands that the Notes being sold pursuant to Rule 144A will bear a legend to the following effect:

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE OR A DEPOSITARY OR A SUCCESSOR DEPOSITARY. NEITHER THIS NOTE, THE GUARANTEES, NOR ANY BENEFICIAL INTEREST HEREIN HAS BEEN OR WILL BE REGISTERED UNDER THE US SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), OR ANY STATE SECURITIES LAWS. NEITHER THIS NOTE NOR ANY INTEREST OR PARTICIPATION HEREIN MAY BE REOFFERED, SOLD, ASSIGNED, TRANSFERRED, PLEDGED, ENCUMBERED OR OTHERWISE DISPOSED OF IN THE UNITED STATES IN THE ABSENCE OF SUCH REGISTRATION OR UNLESS SUCH TRANSACTION IS EXEMPT FROM, OR NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT.

THE HOLDER OF THIS NOTE BY ITS ACCEPTANCE HEREOF AGREES TO OFFER, SELL OR OTHERWISE TRANSFER SUCH NOTE ONLY (A) TO THE ISSUERS, AND THE GUARANTOR AND ANY SUBSIDIARY OR ANY AFFILIATE THEREOF (B) PURSUANT TO A REGISTRATION STATEMENT WHICH HAS BEEN DECLARED EFFECTIVE UNDER THE SECURITIES ACT, (C) FOR SO LONG AS THE SECURITIES ARE ELIGIBLE FOR RESALE PURSUANT TO RULE 144A UNDER THE SECURITIES ACT ("RULE 144A"), TO A PERSON IT REASONABLY BELIEVES IS A "QUALIFIED INSTITUTIONAL BUYER" AS DEFINED IN RULE 144A THAT PURCHASES FOR ITS OWN ACCOUNT OR FOR THE ACCOUNT OF A QUALIFIED INSTITUTIONAL BUYER TO WHOM NOTICE IS GIVEN THAT THE TRANSFER IS BEING MADE IN RELIANCE ON RULE 144A, (D) PURSUANT TO OFFERS AND SALES THAT OCCUR OUTSIDE THE UNITED STATES IN COMPLIANCE WITH REGULATION S UNDER THE SECURITIES ACT OR (E) PURSUANT TO ANY OTHER AVAILABLE EXEMPTION FROM THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT, SUBJECT IN EACH OF THE FOREGOING CASES TO ANY REQUIREMENT OF LAW THAT THE DISPOSITION OF ITS PROPERTY OR THE PROPERTY OF SUCH INVESTOR ACCOUNT OR ACCOUNTS BE AT ALL TIMES WITHIN ITS OR THEIR CONTROL AND IN COMPLIANCE WITH ANY APPLICABLE STATE SECURITIES LAWS, AND ANY APPLICABLE LOCAL LAWS AND REGULATIONS AND FURTHER SUBJECT TO THE ISSUERS', THE TRUSTEE'S AND/OR THE AGENT'S RIGHTS PRIOR TO ANY SUCH OFFER, SALE OR TRANSFER (I) PURSUANT TO CLAUSE (E) TO REQUIRE THE DELIVERY OF AN OPINION OF COUNSEL, CERTIFICATION AND/OR OTHER INFORMATION SATISFACTORY TO EACH OF THEM AND (II) IN EACH OF THE FOREGOING CASES, TO REQUIRE THAT

A CERTIFICATE OF TRANSFER IN THE FORM OF SCHEDULE 6 TO THE INDENTURE IS COMPLETED AND DELIVERED BY THE TRANSFEROR TO THE AGENT. THE FOREGOING RESTRICTIONS ON RESALE WILL NOT APPLY SUBSEQUENT TO THE SPECIFIED DATE. THE INDENTURE CONTAINS A PROVISION REQUIRING THE AGENT TO REFUSE TO REGISTER ANY TRANSFER OF THIS NOTE IN VIOLATION OF THE FOREGOING RESTRICTIONS.

BY ITS ACQUISITION HEREOF, THE HOLDER REPRESENTS THAT EITHER (A) IT IS NOT, AND FOR SO LONG AS IT HOLDS THE NOTE REPRESENTED HEREBY (OR ANY INTEREST HEREIN) WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF, (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") THAT IS SUBJECT TO TITLE I OF ERISA, (II) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (III) AN ENTITY WHOSE UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN SUBJECT TO ERISA OR OTHER PLAN SUBJECT TO SECTION 4975 OF THE CODE, OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THE NOTE REPRESENTED HEREBY (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF SUCH A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, A VIOLATION OF ANY SIMILAR LAW.

7. It understands that the Notes being sold in reliance on Regulation S will bear a legend to the following effect:

THIS NOTE IS A GLOBAL NOTE WITHIN THE MEANING OF THE INDENTURE HEREINAFTER REFERRED TO AND IS REGISTERED IN THE NAME OF A DEPOSITARY OR A NOMINEE OR A DEPOSITARY OR A SUCCESSOR DEPOSITARY. NEITHER THIS NOTE, THE GUARANTEES, NOR ANY BENEFICIAL INTEREST HEREIN HAS BEEN OR WILL BE REGISTERED UNDER THE UNITED STATES SECURITIES ACT OF 1933, AS AMENDED (THE "SECURITIES ACT"), AND MAY NOT BE OFFERED, SOLD OR DELIVERED IN THE UNITED STATES OR TO, OR FOR THE ACCOUNT OR BENEFIT OF, ANY US PERSON, UNLESS SUCH NOTES ARE REGISTERED UNDER THE SECURITIES ACT OR AN EXEMPTION FROM THE REGISTRATION REQUIREMENTS THEREOF IS AVAILABLE. THIS LEGEND WILL BE REMOVED AFTER THE EXPIRATION OF FORTY DAYS FROM THE LATER OF (i) THE DATE ON WHICH THESE NOTES ARE FIRST OFFERED AND (ii) THE DATE OF ISSUE OF THESE NOTES.

BY ITS ACQUISITION HEREOF, THE HOLDER REPRESENTS THAT EITHER (A) IT IS NOT, AND FOR SO LONG AS IT HOLDS THE NOTE REPRESENTED HEREBY (OR ANY INTEREST HEREIN) WILL NOT BE, AND WILL NOT BE ACTING ON BEHALF OF, (I) AN "EMPLOYEE BENEFIT PLAN" AS DEFINED IN SECTION 3(3) OF THE U.S. EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974, AS AMENDED ("ERISA") THAT IS SUBJECT TO TITLE I OF ERISA, (II) A "PLAN" AS DEFINED IN AND SUBJECT TO SECTION 4975 OF THE U.S. INTERNAL REVENUE CODE OF 1986, AS AMENDED (THE "CODE"), (III) AN ENTITY WHOSE

UNDERLYING ASSETS INCLUDE THE ASSETS OF ANY SUCH EMPLOYEE BENEFIT PLAN SUBJECT TO ERISA OR OTHER PLAN SUBJECT TO SECTION 4975 OF THE CODE, OR (IV) A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN WHICH IS SUBJECT TO ANY FEDERAL, STATE, LOCAL OR NON-U.S. LAW OR REGULATION THAT IS SUBSTANTIALLY SIMILAR TO THE PROVISIONS OF SECTION 406 OF ERISA AND/OR SECTION 4975 OF THE CODE ("SIMILAR LAW"), OR (B) ITS ACQUISITION, HOLDING AND DISPOSITION OF THE NOTE REPRESENTED HEREBY (OR ANY INTEREST HEREIN) WILL NOT CONSTITUTE OR RESULT IN A NON-EXEMPT PROHIBITED TRANSACTION UNDER SECTION 406 OF ERISA OR SECTION 4975 OF THE CODE, OR, IN THE CASE OF SUCH A GOVERNMENTAL, CHURCH OR NON-U.S. PLAN, A VIOLATION OF ANY SIMILAR LAW.

8. It agrees that it will give to each person to whom it transfers the Notes notice of any restrictions on transfer of such Notes.

9. It acknowledges that until 40 days after the commencement of the Offering, any offer or sale of the Notes within the United States by a dealer (whether or not participating in the Offering) may violate the registration requirements of the Securities Act if such offer or sale is made otherwise than in accordance with Rule 144A under the Securities Act.

10. It represents and agrees that either (a) it is not, and for so long as it holds a Note (or any interest therein) will not be, and will not be acting on behalf of, (i) an "employee benefit plan" as defined in Section 3(3) of ERISA that is subject to Title I of ERISA, (ii) a "plan" as defined in and subject to Section 4975 of the Code, (iii) an entity whose underlying assets include the assets of any such employee benefit plan subject to ERISA or other plan subject to Section 4975 of the Code, or (iv) a governmental, church or non-U.S. plan which is subject to any federal, state, local or non-U.S. law or regulation that is substantially similar to the provisions of Section 406 of ERISA and/or Section 4975 of the Code ("**Similar Law**"), or (b) its acquisition, holding and disposition of the Note (or any interest therein) will not constitute or result in a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of such a governmental, church or non-U.S. plan, a violation of any Similar Law .

11. It acknowledges that the Trustee and/or Agent will not be required to accept for registration of transfer any Notes except upon presentation of evidence satisfactory to the Issuers and the Guarantors, the Trustee and/or the Agent that the restrictions set forth therein have been complied with.

12. It acknowledges that the Issuers, RB, the Initial Purchasers and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations, warranties and agreements and agrees that if any of the acknowledgements, representations, warranties and agreements deemed to have been made by its purchase of the Notes are no longer accurate, it shall promptly notify the Initial Purchasers. If it is acquiring any Notes as a fiduciary or agent for one or more investor accounts, it represents that it has sole investment discretion with respect to each such investor account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such investor account.

LEGAL MATTERS

Certain legal matters in connection with the Offering will be passed upon for us by Allen & Overy LLP, with respect to U.S. federal, New York law, English law and Dutch law. Certain legal matters in connection with the Offering will be passed upon for the Initial Purchasers by Shearman & Sterling (London) LLP, London, England, with respect to U.S. federal, New York and English law and Norton Rose Fulbright LLP, with respect to Dutch law.

INDEPENDENT AUDITOR

The consolidated financial statements of Reckitt Benckiser Group plc and its subsidiaries as of 31 December 2019 and 2018, and for each of the years then ended, and the financial statements of Reckitt Benckiser Treasury Services plc as of 31 December 2019 and 2018, and for each of the years then ended, incorporated by reference herein, have been audited by KPMG LLP, independent auditors, as stated in their reports incorporated by reference herein.

WHERE YOU CAN FIND MORE INFORMATION

We are not subject to the periodic reporting and other information requirements of the Exchange Act. In connection with this Offering, we do not intend to register the Notes with the SEC and thereby trigger reporting obligations under the Exchange Act.

Each purchaser of the Notes from the Initial Purchasers will be furnished with a copy of this Offering Memorandum and, to the extent provided to the Initial Purchasers by us for such purpose, any related amendments or supplements to this Offering Memorandum. Each person receiving this Offering Memorandum and any related amendments or supplements to this Offering Memorandum acknowledges that:

(1) such person has been afforded an opportunity to request from us, and to review and has received, all additional information considered by it to be necessary to verify the accuracy and completeness of the information herein;

(2) such person has not relied on the Initial Purchasers or any person affiliated with the Initial Purchasers in connection with its investigation of the accuracy of such information or its investment decision; and

(3) except as provided pursuant to (1) above, no person has been authorised to give any information or to make any representation concerning the Notes offered hereby other than those contained herein and, if given or made, such other information or representation should not be relied upon as having been authorised by us or the Initial Purchasers.

For so long as any of the Notes remain outstanding and are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act, Reckitt Benckiser will, during any period in which it is neither subject to the reporting requirements of Section 13 or 15(d) of the Exchange Act nor exempt from reporting thereunder pursuant to Rule 12g3-2(b), make available to any holder or beneficial owner the information specified in, and meeting the requirements of, Rule 144A(d)(4) under the Securities Act upon the written request of any such holder or beneficial owner. We expect to be exempt from Exchange Act reporting by reason of Rule 12g3-2(b).

Pursuant to the Indentures and so long as any series of the Notes are outstanding, we will furnish periodic information to holders of such series of the Notes. See "*Description of Euro Notes—Covenants of the Issuer and the Guarantor—Provision of Financial and Other Information*" and "*Description of Pound Sterling Notes—Covenants of the Issuer and the Guarantor—Provision of Financial and Other Information*", as applicable. For so long as any series of the Notes are listed on the Official List of the UK Listing Authority and the London Stock Exchange and the rules of such exchange so require, copies of the Issuers' and the Guarantor's organisational documents, the Indentures (which include the Guarantees and the form of the applicable Notes), the Financial Statements and the Issuers' Financial Statements may be inspected and obtained by request to the Company Secretary at the Issuers' and Guarantor's registered office at 103-105 Bath Road, Slough, Berkshire SL1 3UH United Kingdom, telephone number + 44 (0)1753 217 800.

See also "*Listing and General Information—Documents Available for Inspection*" in respect of documents available for a period of 12 months from the date of this Offering Memorandum, including the annual reports of Reckitt Benckiser for 2018 and 2019.

LISTING AND GENERAL INFORMATION

Listing

Application has been made to the FCA for the Notes to be admitted to the Official List of the FCA and for the Notes to be admitted to trading on the Market.

The total fees and expenses of this Offering are approximately £10 million (equivalent), of which expenses related to the admission to trading of the Notes are approximately £7,515.

Clearing Information

The Euro Notes and the Pound Sterling Notes have been accepted for clearance through Euroclear and Clearstream, Luxembourg. The CUSIP, ISIN and Common Codes numbers are as follows:

2026 Euro Notes:

- Rule 144A: CUSIP: 7562EP AA9; ISIN: XS2177013336; Common Code: 217701333.
- Regulation S: ISIN: XS2177013252; Common Code: 217701325.

2030 Euro Notes:

- Rule 144A: CUSIP: 7562EP AB7; ISIN: XS2177013500; Common Code: 217701350.
- Regulation S: ISIN: XS2177013765; Common Code: 217701376.

Pound Sterling Notes:

- Rule 144A: CUSIP: 75625Q AG4; ISIN: XS2177007015; Common Code: 217700701.
- Regulation S: ISIN: XS2177006983; Common Code: 217700698.

Authorisation

The issue of the Euro Notes was duly authorised by a resolution of the Board of Directors of Reckitt Benckiser Treasury Services (Nederland) B.V., dated 7 May 2020. The issue of the Pound Sterling Notes was duly authorised by a resolution of the Board of Directors of Reckitt Benckiser Treasury Services plc, dated 7 May 2020. The giving of the Guarantees was duly authorised by resolutions of the Board of Directors of the Guarantor, dated 17 April 2020 and by resolutions of the Issuance Committee of the Board of Directors of the Guarantor, dated 7 May 2020.

Yield for the Notes

On the basis of the issue price of 2026 Euro Notes of 99.433 per cent. of their principal amount, the yield on the 2026 Euro Notes is 0.471 per cent. on an annual basis.

On the basis of the issue price of 2030 Euro Notes of 99.904 per cent. of their principal amount, the yield on the 2030 Euro Notes is 0.760 per cent. on an annual basis.

On the basis of the issue price of Pound Sterling Notes of 98.746 per cent. of their principal amount, the yield on the Pound Sterling Notes is 1.868 per cent. on an annual basis.

No Significant Change

There has been no material adverse change in the prospects of the Issuers, the Guarantor or the Group since 31 December 2019. There has also been no significant change in the financial performance or financial position of (a) the Issuers, or the Issuers and their respective subsidiaries taken as a whole, since 31 December 2019 and (b) the Guarantor or the Group since 31 December 2019.

Documents Available for Inspection

Copies of the documents set out below are available for inspection during usual business hours on any weekday (public holidays excepted) for a period of 12 months from the date of this Offering Memorandum from www.2020bondissuance.rb.com:

- the constitutional documents of the Issuers and the constitutional documents of the Guarantor;
- a copy of this Offering Memorandum, together with any supplement to this Offering Memorandum; and
- the Indentures relating to the Euro Notes and Pound Sterling Notes.

Legal Entity Identifier

The Legal Entity Identifier ("**LEI**") code of Reckitt Benckiser Treasury Services plc is 213800LAXWIUOOBZ3908.

The LEI code of Reckitt Benckiser Treasury Services (Nederland) B.V. is 54930007FVPKN1NNHV37.

The LEI code of the Guarantor is 5493003JFSMOJG48V108.

Ratings Meaning

According to Moody's rating system, obligations rated "A" are judged to be upper-medium grade with low credit risk. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from "Aa" through "Caa". The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category. According to S&P's rating system, an obligation rated "A" is somewhat more susceptible to the adverse effects of changes in circumstances and economic conditions than obligations in higher-rated categories. However, the obligor's capacity to meet its financial commitments on the obligation is still strong. The addition of pluses and minuses provides further distinctions within ratings range.

DEFINITIONS AND GLOSSARY

The following definitions apply throughout this document, unless stated otherwise:

BEI	Brand Equity Investment
Board	the board comprising the Directors
China	the People's Republic of China including Hong Kong
Clearstream, Luxembourg	Clearstream Banking, S.A.
Company, Reckitt Benckiser or the Guarantor	Reckitt Benckiser Group plc
consumer health	over-the-counter medicines, sexual wellbeing products, footcare products, vitamins and infant and children's nutrition
developing markets	the geographic regions that RB reports as "DvM"
DHA	docosahexaenoic acid
Directors	the directors of the Company, whose names are set out on page 114 of this Offering Memorandum
DOJ	United States Department of Justice
DvM	North Africa, Middle East (excluding Israel) and Turkey, Africa, South Asia, North Asia, Latin America, Japan, Korea and the Association of Southeast Asian Nations (ASEAN)
Euroclear	Euroclear Bank SA/NV
Eurosystem	comprises the European Central Bank and the national central banks of the Member States of the European Union which have adopted the euro in Stage Three of Economic and Monetary Union
Existing Notes	On 23 September 2013, Reckitt Benckiser Treasury Services plc issued $500,000,000 3.625 per cent. Senior Notes due 2023 and on June 22 2017, Reckitt Benckiser Treasury Services plc issued $750,000,000 Floating Rate Senior Notes due 2022, $2,500,000,000 2.375 per cent. Senior Notes due 2022, $2,000,000,000 2.750 per cent. Senior Notes due 2024 and $2,500,000,000 3.000 per cent. Senior Notes due 2027
FDA	United States Food and Drug Administration
FSMA	Financial Services and Markets Act 2000
FTC	United States Federal Trade Commission

Greater China	mainland China, Hong Kong and Taiwan
Group or RB	the Company and its consolidated subsidiaries
IFRS	International Financial Reporting Standards as endorsed by the European Union
Indivior	Indivior PLC
infant and children's nutrition	milk formula and related products
Issuers	Reckitt Benckiser Treasury Services plc and Reckitt Benckiser Treasury Services (Nederland) B.V.
KCDC	Korean Centre for Disease Control
KRW	South Korean Won
Mead Johnson	Mead Johnson Nutrition Company, a Delaware corporation
Net Working Capital	Trade and other receivables plus inventory minus trade and other payables
Non-GAAP	financial measures which are not within the scope of IFRS or U.S. GAAP
Oxy RB	Oxy Reckitt Benckiser LLC
R&D	research and development
SEC	U.S. Securities and Exchange Commission
SQC	safety, quality and compliance
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland
U.S. or United States or United States of America	the United States of America (including the states of the United States and the District of Columbia), its possessions and territories and all areas subject to its jurisdiction
U.S. GAAP	generally accepted accounting principles in the United States
USDA	United States Department of Agriculture
WHO	World Health Organization
WIC	the Special Supplemental Nutrition Program for Women, Infants and Children, a USDA programme

All times referred to are London times unless otherwise stated.

All references to legislation in this document are to the legislation of England and Wales unless otherwise stated. Any reference to any provision of any legislation shall include any amendment, modification, re-enactment or extension thereof.

Words importing the singular shall include the plural and vice versa, and words importing the masculine gender shall include the feminine or neutral gender.

REGISTERED OFFICE OF RECKITT BENCKISER TREASURY SERVICES PLC AND THE GUARANTOR

103-105 Bath Road
Slough
Berkshire SL1 3UH
United Kingdom

REGISTERED OFFICE OF RECKITT BENCKISER TREASURY SERVICES (NEDERLAND) B.V.

Schiphol Boulevard 267
1118 BH Schiphol
Netherlands

LEGAL ADVISORS

to the Issuers and the Guarantor as to matters of U.S. and English law

Allen & Overy LLP
One Bishops Square
London E1 6AD
United Kingdom

to the Initial Purchasers as to matters of U.S. and English law

Shearman & Sterling (London) LLP
9 Appold Street
London EC2A 2AP
United Kingdom

to the Issuers and the Guarantor as to matters of Dutch law

Allen & Overy LLP
Apollolaan 15
1077 AB Amsterdam
Netherlands

to the Initial Purchasers as to matters of Dutch law

Norton Rose Fulbright LLP
24th floor, Rembrandt Tower
Amstelplein 1, 1096 HA Amsterdam
Netherlands

to the Trustee as to matters of U.S. law

Moses & Singer LLP
The Chrysler Building
405 Lexington Avenue
New York, NY 10174
United States

INDEPENDENT AUDITOR

KPMG LLP
15 Canada Square
Canary Wharf
London E14 5GL
United Kingdom

TRUSTEE, PRINCIPAL PAYING AGENT, REGISTRAR AND TRANSFER AGENT

Deutsche Bank Trust Company Americas
Trust & Agency Services
60 Wall Street, 24th Floor
New York, NY 10005
United States