



Responsible Business Report 2023



What's inside

Who we are - page 2



Who we are, the work we have undertaken to establish our Responsible Business strategy, and our approach to producing our first Responsible Business Report detailing our progress across the three focus areas of our Responsible Business strategy: Health inclusivity, Environment and Upholding our standards.

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Our progress to empower millions of people a year to be more included in opportunities for better everyday health. It includes details on the three health inclusivity barriers that we have identified that we are best placed to tackle and how we are taking action to help overcome these barriers.

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How we are embedding ethical conduct throughout our operational environment and value chain. It includes key elements relating to our employees and the creation of a diverse and inclusive workplace, our products, and regulatory compliance, which are fundamental to our business strategy and growth.

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Cover image

Our front cover proudly features Haleon employees Denise, Oliver, Luz, Haider and Nadia.

Who we are

Haleon at a glance

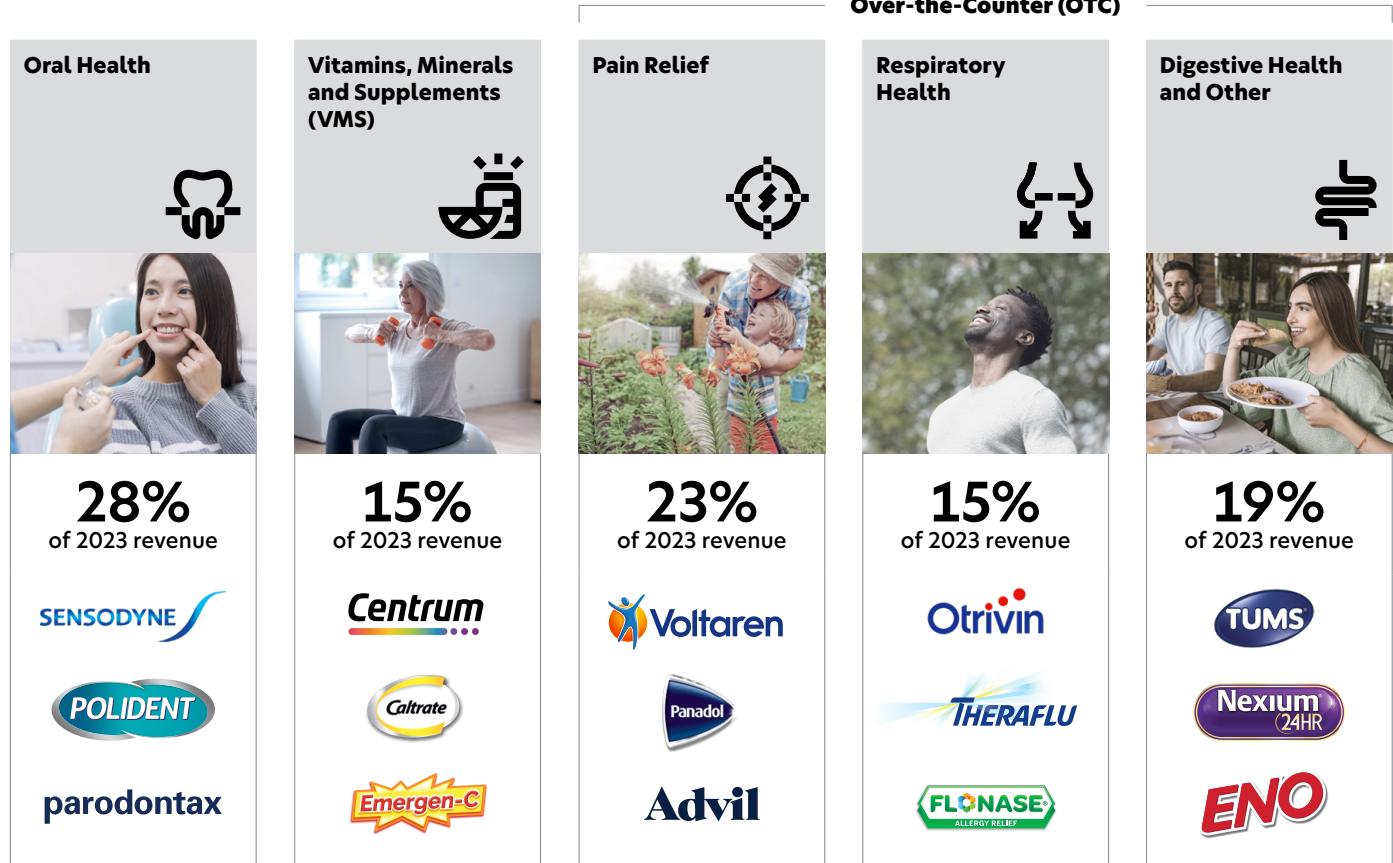
Our purpose

To deliver better everyday health with humanity.

Our strategy

Our strategy is designed to leverage our portfolio and capabilities and aims to: increase household penetration, capitalise on new and emerging opportunities, and maintain strong execution and financial discipline. Running a responsible business is a strategic imperative for Haleon and hardwired into how we do business. Our Responsible Business strategy focuses on three interconnected focus areas: making everyday health more inclusive; reducing our environmental impact; and operating with ethical, responsible, and transparent behaviours and standards of conduct.

Leadership position across five major categories^{1,2}:



>> Information on our wider business strategy, 2023 performance, and more can be found in our [2023 Annual Report and Form 20-F](#).

>> For information on responsible Business activities and progress across our market categories, see from page 13 of our [Annual Report and Form 20-F 2023](#).

¹ Source: Nicholas Hall (2023) and Haleon's analysis of third-party market data.

² Oral Health market position refers to Therapeutic Oral Health, which comprises ~90% of 2023 Oral Health revenues.

Introduction from our CEO

“Being a responsible business is a strategic imperative for Haleon and is critically important to us and our stakeholders”



As a leading global player in consumer health, Haleon is well-positioned to recognise and understand the social and environmental barriers that hold people back from achieving better everyday health. We want to use our reach, expertise, and products to support people to take charge of their health and wellbeing while having a positive impact.

Being a responsible business is a strategic imperative for Haleon and is critically important to us and our stakeholders. It is made up of three interconnected focus areas: making everyday health more inclusive; reducing our environmental impact; and operating with ethical, responsible, and transparent behaviours and standards of conduct.

This is our inaugural Responsible Business Report, which details the progress we've made against our Responsible Business strategy during Haleon's first full calendar year as a standalone company. This is a fast moving space with many external dependencies and uncertainties, and it will be important to track

these and adapt as needed. We have much still to do and to learn, as well as a number of highlights to note. These include our continued efforts to tackle barriers to health inclusivity, empowering over 41 million people to be more included in opportunities for better everyday health. We supported the launch of phase two of Economist Impact's Health Inclusivity Index, which provides a great tool to inform us – and others across the industry – about the actions needed to make better everyday health more inclusive for all.

Good progress has been made in converting our product packaging to recycle-ready formats and collaborating to help improve the recycling rates of consumer healthcare waste. During 2023, we surpassed our goal of producing 1 billion recycle-ready toothpaste tubes, two years ahead of plan. We also progressed a pilot working with industry peers aimed at improving the sorting of toothpaste tubes at recycling centres, as part of our wider efforts to increase recycling rates of this packaging format.

As we continue to improve our data collection processes, we have updated our baseline year from 2020 to 2022 for two of our environmental goals: Scope 3 carbon emissions and virgin petroleum-based plastic reduction. This aligns with our first year as a standalone business, when we have better data availability and accuracy.

Our virgin plastic reduction goal is calibrated considering limitations in the use of mechanically recycled plastic for healthcare products. We are working with suppliers to access bioplastics and chemically recycled resins suitable for healthcare products, whilst introducing mechanically recycled plastics in some formats where permitted.

Haleon cannot make meaningful, sustainable change alone and we believe strongly in the power of collaboration. This report shares highlights of our key collaborations.

We continue to invest in developing high-performing, diverse teams and an inclusive culture, which is fundamental to helping us to deliver our strategy and growth ambitions. For example, we launched 'LEAD', Haleon's new global leadership development programme, and our new 'Accelerate' programme, designed to develop and support our diverse talent.

Our ongoing commitment to product quality and safety continues to support our aim to deliver safe products when, where and how our consumers want and need them.

I am proud of our achievements to date but there is a lot still to do and we will continue to challenge and expand our thinking. Haleon will continue to embed responsible business behaviours in all that we do.

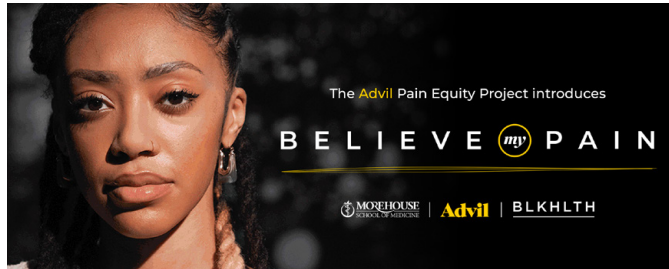
Brian McNamara
Chief Executive Officer

Responsible business highlights of 2023



We achieved our ambition of producing one billion recycle-ready toothpaste tubes two years ahead of plan.

>> See page 31



Our brands are taking action to improve health inclusivity. For example, our 'Advil Pain Equity Project' in the US champions equitable and accessible pain relief.

Caltrate's bone health programmes educate both consumers and Health Professionals in China on how to prevent and manage osteoporosis.

>> See pages 17-18



Image credit: WWF South Africa

We achieved our first water-neutral site in Cape Town following water replenishment activities with WWF South Africa, which commenced in 2022.

The site has also been recommended for Alliance for Water Stewardship (AWS) certification.

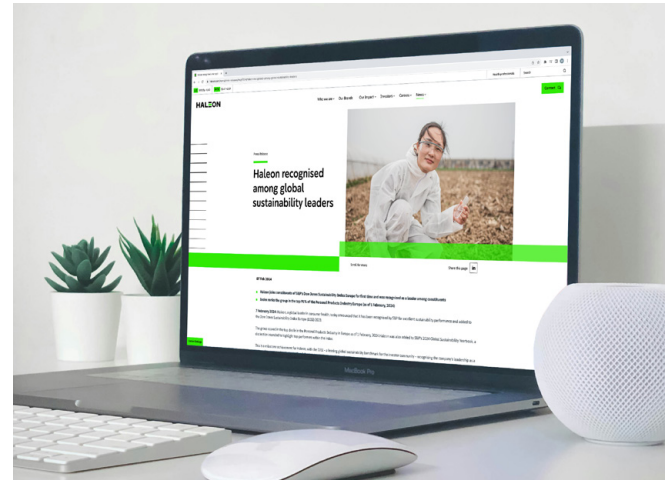
>> See page 34

85%

of employees feel both that Haleon is committed to minimising its impact on the environment and is taking action to be socially responsible - two of the highest-scoring results in Haleon's 2023 employee survey.



We secured a spot as one of the **top ten performers for Women in Leadership** in the FTSE 100 by the FTSE Women Leaders Review for a second year running.



We received a rating of low-risk from Sustainalytics and were recognised as one of the 2024 ESG Top-Rated Companies.

We were added to the Dow Jones Sustainability Index Europe (DJSI) 2023 and S&P's 2024 Global Sustainability Yearbook.

>> See page 7

2023 responsible business performance highlights

Focus area	Our goals ¹	Our 2023 performance	Our 2022 performance
Health inclusivity	We aim to empower millions of people a year to be more included in opportunities for better everyday health, empowering 50 million people a year by 2025 .	41m+ empowered	22m+ empowered
Tackling carbon emissions	We aim to reduce our net Scope 1 and 2 carbon emissions by 100% by 2030 vs a 2020 baseline.	48%* reduction	44% reduction
	We aim to reduce our Scope 3 carbon emissions from source to sale by 42% by 2030 vs a 2022 baseline.	4% increase	–
Making our packaging more sustainable	We aim to reduce our use of virgin petroleum-based plastic by 10% by 2025 , and a third by 2030 vs a 2022 baseline.	3% increase	–
	We aim to develop solutions for all product packaging to be recycle-ready by 2025 , as part of our goal to make all packaging recyclable or reusable by 2030 , where safety, quality and regulations permit.	70%* recycle-ready packaging	65% recycle-ready packaging
Sourcing trusted ingredients sustainably	We aim for all of our key agricultural, forest and marine-derived materials used in our ingredients and packaging to be sustainably sourced and deforestation-free by 2030 .		
	Palm oil derivatives	91%	92%
	Paper-based packaging	48%	
	Soy derivatives	100%	
	Corn/wheat derivatives	77%	These materials were not reported in 2022
	Mint oils and flavours	51%	
Diversity, Equity & Inclusion	Achieve gender parity (48-52%) in leadership roles globally by 2030 .	44.9%* women in leadership roles	43.7% women in leadership roles

¹ Further information on the reporting criteria for each goal can be found within the corresponding sections of this report and in the [Haleon 2023 Responsible Business Basis of Reporting](#), including reporting developments and improvements.

* KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK)3000, over the selected data indicated, which has been extracted from Haleon's 2023 Annual Report and Form 20-F. See page 6 for further information.

Our approach to reporting

Published on 26 April 2024, this is our first Responsible Business Report. It details the progress we have made against our Responsible Business strategy (page 8), covering our Environmental, Social and Governance (ESG) performance for the year up to and including 31 December 2023. Reporting periods may vary from the traditional 1 January to 31 December reporting period. A footnote indicates where this applies. Where we list our goals throughout the report, the end point for the goal delivery period is the end of the target year referenced.

Independent assurance and reporting criteria

KPMG LLP provided independent limited assurance, using assurance standards ISAE(UK)3000 and ISAE3410, over selected ESG data points included in our 2023 ESG responsible business reporting.

Data points marked with an (*) form part of Haleon's 2023 Annual Report and Form 20-F assurance engagement.

Data points marked with an (^) form part of Haleon's 2023 Responsible Business report assurance engagement.










KPMG LLP's limited assurance opinions and the reporting criteria, Basis of Reporting, for the selected ESG data points are available on our [ESG reporting hub](#).

Frameworks and disclosures

We use external frameworks, standards and disclosure platforms to structure and support our responsible business reporting, focusing on those of relevance to our stakeholders. These include the Global Reporting Initiative Universal Standards, Sustainability Accounting Standards Board Household and Personal Care Products standard and the Sustainable Finance Disclosure Regulation – Principal Adverse Indicators, which can be found in the Appendix. Reporting against these frameworks also supports Haleon's preparedness for future reporting requirements, including the UK Sustainability Disclosure Standards.

Our ESG reporting suite

Additional information regarding our Environmental, Social and Governance (ESG) strategy and performance can be found via the following sources:

-  [Haleon Annual Report and Form 20-F 2023](#)
-  [Haleon Responsible Business Basis of Reporting 2023](#)
-  [Haleon Climate Action Transition Plan](#)
-  [Haleon 2023 ESG Databook](#)
-  [Haleon Human Rights Reports](#)
-  [Haleon Gender Pay Gap Reports](#)
-  [Haleon.com/our-impact](#)
-  [Haleon Codes, Policies and Standards](#)
-  [Haleon Policy Positions](#)

¹ The content of this publication has not been approved by the United Nations and does not reflect the views of the United Nations or its officials or Member States. <https://www.un.org/sustainabledevelopment>.

UN Global Compact and Sustainable Development Goals

We are a participant of the UN Global Compact and support its Ten Principles on human rights, labour, environment, and anti-corruption. Throughout our reporting, we detail our efforts to implement the Ten Principles in 2023. We support the intent to deliver the Sustainable Development Goals (SDGs)¹ by 2030, to promote a more sustainable future for all.

Our Responsible Business strategy aims to make everyday health more inclusive while reducing our environmental impact, and operating with ethical, responsible, and transparent behaviours and standards of conduct. Given this, we believe we can make the biggest impact against five of the SDGs:



Good health and wellbeing: as a global leader in the consumer healthcare market with a purpose to deliver better everyday health with humanity, we can make the most significant contribution to SDG3. In addition to the global reach of our healthcare products, our focus on health inclusivity aims to give as many people as possible, the opportunity to enjoy better everyday health.



Reduced inequalities: we aim to empower millions of people a year to be more included in opportunities for better everyday health, with a focus on those who are marginalised, including those discriminated against because of disability, age, race, ethnicity, gender, or sexuality. Read more from page 13.



Responsible consumption and production: we are transitioning our product packaging to more circular models to minimise waste and pollution, by making our packaging recycle-ready, and ultimately recyclable, and reducing the amount of virgin petroleum-based plastic used in our packaging. Read more from page 28.



Climate action: we are taking action to reduce our carbon footprint, with targets set for 2030 and 2040. Read more from page 24.



Partnership for the goals: we recognise partnership and collaboration with industry and key stakeholders are imperative to achieving our responsible business ambitions. Examples are included throughout this report.

Contact us

Please address any questions regarding our responsible business reporting suite and stated information to:

Haleon Sustainability Team,
Haleon plc, Building 5, First Floor,
The Heights, Weybridge, Surrey,
KT13 0NY.

Or contact us here:
ESG@haleon.com

ESG ratings and indices performance

We respond to and/or are assessed against a variety of ratings agencies and indices that measure our global responsible business performance.

The table below outlines our 2023 performance in our first full year as a standalone company.



¹ Score issued on 24 November 2023.

² The use by Haleon of any MSCI ESG Research LLC or its affiliates ("MSCI") data, and the use of MSCI logos, trademarks, service marks or index names herein, do not constitute a sponsorship, endorsement, recommendation, or promotion of Haleon by MSCI. MSCI services and data are the property of MSCI or its information providers, and are provided 'as-is' and without warranty. MSCI names and logos are trademarks or service marks of MSCI.

Our Responsible Business strategy

Our purpose is to deliver better everyday health with humanity.

We bring our Responsible Business strategy to life through three interconnected focus areas: our commitment to making everyday health more inclusive; reducing our environmental impact; and upholding our standards by operating with ethical, responsible, and transparent behaviours.

Our Responsible Business strategy



Health inclusivity¹

Goal: We aim to empower millions of people a year to be more included in opportunities for better everyday health, empowering 50 million people a year by 2025, by:

- driving change through our purposeful brands (page 17).
- investing in research and action (page 19).
- empowering self-care (page 18).
- building healthier communities (page 20).

Environment¹

To reduce the environmental impact of our business, we aim to:

- Tackle carbon emissions (page 24)**
 - Reduce our net Scope 1 and 2 emissions by 100% by 2030 vs 2020.
 - Reduce our Scope 3 carbon emissions from source to sale by 42% by 2030 vs 2022.
 - Achieve net zero carbon emissions from source to sale by 2040 aligned to guidance from The Climate Pledge and Race to Zero.
- Make our packaging more sustainable (page 28)**
 - Reduce our use of virgin petroleum-based plastic by 10% by 2025 vs 2022 and a third by 2030.
 - Develop solutions for all product packaging to be recycle-ready by 2025 and recyclable or reusable by 2030 where safety, quality and regulations permit.
 - Work with partners to drive global and local initiatives to collect, sort and recycle our packaging at scale by 2030.
- Source trusted ingredients sustainably (page 32)**
 - Source all our key agricultural, forest, and marine-derived materials used in our ingredients and packaging sustainably and deforestation free by 2030.
- Integrate water stewardship and waste circularity (page 34)**
 - Achieve Alliance for Water Stewardship standard certification at our manufacturing sites by 2025.
 - Achieve water neutrality at our manufacturing sites in water-stressed basins by 2030.
 - Achieve Total Resource Use and Efficiency (TRUE) certification at our manufacturing sites by 2030.

Upholding our standards¹

We will continue to:

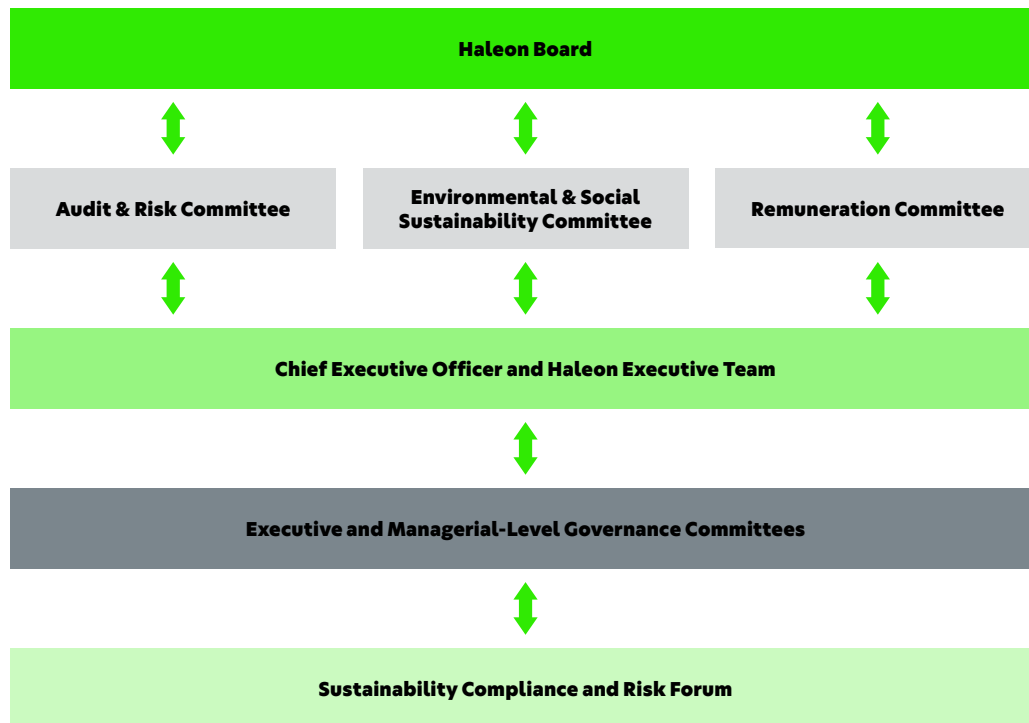
- Conduct business in accordance with our policies, including our Code of Conduct and our Anti-Bribery and Corruption policy (page 38).
- Prioritise product quality and safety (page 40).
- Protect the health and safety of our people (page 43).
- Support our employees' health and wellbeing (page 45).
- Build a high-performing workforce (page 47).
- Champion Diversity, Equity & Inclusion, including our aim to reach gender parity in leadership roles by 2030 (page 50).
- Respect human rights (page 52).
- Work with responsible suppliers (page 54).
- Market our products responsibly (page 56).

¹ Further information on the reporting criteria for each goal can be found within the corresponding sections of this report and in the [Haleon 2023 Responsible Business Basis of Reporting](#).

Responsible business governance

Embedding strong and responsible business governance is fundamental to delivering sustainable above-market growth.

Governance structure



Board level

The Haleon Board has overall responsibility for the Group's Responsible Business strategy.

Environmental & Social Sustainability Committee

In March 2023, the Board established the Environmental & Social Sustainability Committee, recognising running a responsible business is a strategic imperative for Haleon.

Chaired by Marie-Anne Aymerich, the role of the Committee is to provide oversight and effective governance over Haleon's progress against its environmental and social sustainability priorities and the external governance and regulatory requirements relevant to these areas.

Audit & Risk Committee

Chaired by Deirdre Mahlan, the Committee's responsibilities include monitoring and reviewing the Group's risk management system, and the identification and management of risks, including our principal risks, one of which is Environmental, Social and Governance.

Remuneration Committee

Chaired by Tracy Clarke, the role of the Committee is to set the broad structure for the Company's Remuneration Policy and to determine the remuneration of the Board, Company Secretary and Executive Team.

Haleon's Performance Share Plan includes an ESG qualifier, whereby a reduction in the level of vesting of up to 10% could be applied for each missed threshold. If the metrics are static or go backwards compared to the baseline, a 25% reduction in the level of vesting could be applied for each measure. The following three measures are included in the ESG qualifier:

- Scope 1 and 2 emissions reduction.
- Recycle-ready packaging.
- Gender diversity in leadership roles.

Our external commitment on recycle-ready packaging runs to 2025, and therefore this metric will be replaced in the ESG qualifier for the 2024-2026 cycle with a metric assessing the reduction in virgin petroleum-based plastic.

- >> [Environmental & Social Sustainability Committee terms of reference.](#)
- >> [Audit and Risk Committee terms of reference.](#)
- >> [Remuneration Committee terms of reference.](#)

Responsible business governance

Haleon Executive Team

Our Executive Team is responsible for the delivery of our Responsible Business strategy and for driving responsible business performance and progress against our externally committed goals and our strategic objectives.

Executive and managerial governance

Responsible business governance at Executive Team and management level is conducted via several executive or management-led oversight committees, including, but not limited to: the Environment Steering Committee; the Health Inclusivity Steering Committee; the Global Diversity, Equity & Inclusion Council; the Quality Council; the Safety Board; the Environment, Health and Safety Council; and the Human Rights Steering Committee.

The Sustainability team, which sits within our Corporate Affairs department, is tasked with Responsible Business strategy development and coordination, while programmes are delivered by Haleon's global functions, global category teams, and business units.

Risk management

Management of risk at Haleon is embedded into our strategy to achieve our long-term goals. Haleon's principal risk related to ESG is monitored through Haleon's risk management framework. The framework supports information flow and open communication between the Board, the Audit & Risk Committee, the Executive Team, global functions and business units. The framework is aligned to the three lines model, which assigns roles and responsibilities for the management of risks within Haleon. The Sustainability Compliance and Risk Forum (CRF) is responsible for monitoring, assessing, and mitigating potential risks that may impact

Haleon's responsible business strategy delivery. The Sustainability CRF meets at least bi-monthly and includes the Vice President of Sustainability and members of the Sustainability team.

>> More information on risk management can be found in our [Annual Report and Form 20-F 2023](#).

Responsible business scorecards

Working groups in our global functions and business units integrate responsible business principles and initiatives into our strategic planning process, day-to-day responsibilities, and in-year performance management.

Responsible business scorecards at both enterprise-wide and business unit level track key responsible business metrics on a quarterly basis against measures including:

- Carbon emission reduction.
- Recycle-ready packaging.
- People empowered through our health inclusivity initiatives.
- Gender diversity in leadership roles.
- Employee health and safety.
- Regulatory inspection compliance.

The Environmental & Social Sustainability Committee and Executive Team receive quarterly updates on the status of in-year metrics measured on Haleon's responsible business scorecards. The Executive Team and regional leadership teams link scorecard performance to employees' personal objectives and performance where relevant. Where these are built into employees' objectives, they form part of the assessment of an employee's individual performance in the year, which influences their annual bonus multiplier.

The three lines model



Corporate governance

Haleon seeks to maintain high standards of corporate governance, underpinning our ability to deliver the Group's strategy to create long-term value and benefit for our shareholders and stakeholders. As a company with a premium listing on the London Stock Exchange, Haleon is subject to the provisions of the UK Corporate Governance Code. Haleon is also listed on the New York Stock Exchange (NYSE), as a "foreign private issuer," and is subject to certain US

securities laws and regulations, including the Sarbanes-Oxley Act of 2002 and the NYSE listing standards.

For more information on our corporate governance practices in 2023, as well as how the Board has prioritised responsible business factors in its decision-making during the year, please see the Corporate Governance Report on page 61 of our [2023 Annual Report and Form 20-F](#).

ESG materiality

Our Responsible Business strategy rests on understanding and acting on what matters most to our stakeholders.

In 2022, we conducted our first ESG materiality assessment for Haleon as a standalone business. This aimed to further enhance our understanding of key social and environmental impacts for our business and confirm that we have prioritised the right ESG focus areas and ambitions.

We consolidated internal, peer and sector-specific information and identified a list of 21 existing and potential material ESG topics for Haleon.

We then engaged with key stakeholders through surveys and interviews with employees, senior leadership, suppliers, customers, investors and others to understand which of these 21 topics were most important to them, and the degree of materiality and financial impact of each topic.

As Haleon evolves as a company, we will continue to refine our approach to materiality and the way we disclose performance on our most material impacts in line with future reporting requirements, including the International Sustainability Standards Board (ISSB) disclosures. We aim to run a materiality assessment exercise at least every two years with review and sign-off by senior management.

We identified four areas of highest impact materiality¹ that are central to Haleon's Responsible Business strategy and performance:

Improving health outcomes: health inclusivity	Giving as many people as possible the opportunity to enjoy better everyday health, with a focus on those marginalised and/or discriminated against, was identified as an opportunity for Haleon to have a positive impact on people and society.	Key progress in 2023² – 41m+ people empowered to be more included in opportunities for better everyday health.	>> Further information on this topic can be found under the Health inclusivity section of this report from page 14 and in our Annual Report and Form 20-F 2023 from page 22.
Decarbonisation	Given the global importance of tackling climate change, reducing carbon emissions across our operations and value chain on our path towards net zero was identified as a key priority. Stakeholders also identified our opportunity to highlight the link between carbon emissions, climate change and its impact on human health.	Key progress in 2023² – 48%* reduction in net Scope 1 and 2 carbon emissions vs 2020.	>> Further information on this topic can be found under the Environment section of this report from page 25 and in our Annual Report and Form 20-F 2023 from page 22.
Plastics and packaging	Due to the volume of products we sell, increasing the recyclability of our packaging, decreasing the use of virgin petroleum-based plastics, and closing the loop to drive circularity were considered key priorities to stakeholders.	Key progress in 2023² – 70%* packaging was recycle-ready.	>> Further information on this topic can be found under the Environment section of this report from page 29 and in our Annual Report and Form 20-F 2023 from page 22.
Product quality and safety	Our responsibility to produce safe, high-quality, and reliable products was critical to all stakeholder groups.	Key progress in 2023 – 98 health authority inspections of internal manufacturing sites, 100% of which were satisfactory.	>> Further information on this topic can be found under the Upholding our standards section of this report from page 41 and in our Annual Report and Form 20-F 2023 on page 20.

In addition to the focus areas outlined above, the assessment identified a further seven topics with significant impact materiality¹, which are included in our Responsible Business strategy and performance:

ESG topic	Location of information regarding each topic	
Biodiversity and ecosystems	>> Environment section of this report from page 32.	>> 2023 Annual Report and Accounts and Form 20-F from page 22.
Data privacy and security	>> Upholding our standards section of this report on page 38.	>> 2023 Annual Report and Accounts and Form 20-F on page 21.
Diversity, Equity & Inclusion	>> Upholding our standards section of this report from page 50.	>> 2023 Annual Report and Accounts and Form 20-F on page 20.
Good governance	>> Responsible business governance section of this report from page 9.	>> 2023 Annual Report and Accounts and Form 20-F from page 61.
Responsible brands and marketing	>> Upholding our standards section of this report on page 56.	
Responsible and resilient supply chains	>> Working with responsible suppliers section of this report from page 54.	>> 2023 Annual Report and Accounts and Form 20-F on page 21.
Sustainable and inclusive innovation	>> Health inclusivity and Environment sections of this report from pages 13 to 34.	>> 2023 Annual Report and Accounts and Form 20-F from page 22.

¹ The findings refer to impact materiality, rather than financial materiality.

² Further information on the reporting criteria for each goal can be found within the corresponding sections of this report and in the Haleon 2023 Responsible Business Basis of Reporting.








* KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK)3000, over the selected data indicated, which has been extracted from Haleon's 2023 Annual Report and Form 20-F. See page 6 for further information.

Our key stakeholders

A strong understanding of, and proactive engagement with, our key stakeholders is fundamental to our long-term performance and success.

We engage with our stakeholders at all levels of the organisation.

The Board provides oversight and engages with stakeholders directly, principally investors and customers.

Stakeholder	Engagement in 2023
 <p>Consumers want brands they trust, that understand their needs and care about the environment and society.</p>	<ul style="list-style-type: none"> Marketing campaigns, brand launches and promotions addressing barriers to health inclusivity, such as the 'Advil Pain Equity Project'. Supported phase two of Economist Impact's Health Inclusivity Index. Signed multi-year agreement with Direct Relief to expand access to everyday health. Consumer enquiries handled by our Global Consumer Relations team.
 <p>Customers want safe, innovative and accessible products that enable consumers to improve their everyday health and which have sustainability at their heart.</p>	<ul style="list-style-type: none"> Joint donation and awareness campaign with UK retailer to tackle children's oral health issues. Joint environmental campaigns with retailers for Earth Day. Listing our products in retailers' sustainable choices ranges. Joint programmes in North America to improve access to healthcare services.
 <p>Employees want to be part of a purpose-led, inclusive company where they can be themselves, and are supported to thrive in their careers.</p>	<ul style="list-style-type: none"> 2023 employee engagement score of 78%. 85% of employees feel that Haleon is both committed to minimising its impact on the environment and taking action to be socially responsible. Introduced a simplified global learning offer for all employees. Promotion of 'Haleon Helps,' Haleon's employee volunteering programme. Launched a holistic energy management and resilience course and Health, Safety and Wellbeing Leadership programme. Held 10 global flagship Employee Resource Group (ERG) events and over 150 local events.
 <p>Governments and industry regulators set the legal and regulatory environment in which we operate. Effective, safe, and accessible products help reduce the burden of healthcare costs and increase opportunities for innovation and business investment.</p>	<ul style="list-style-type: none"> Collaboration with regulators and industry bodies to establish product and product claim standards. Health authority site inspections, with 100% of sites rated satisfactory. Membership of, and leadership positions within, industry trade associations. Held Health Inclusivity Index Congressional Briefing (US). Direct and indirect engagement on legislation reform.
 <p>Health Professionals want effective and safe products supported by reliable scientific information and responsible sales and marketing practices.</p>	<ul style="list-style-type: none"> Launched global surveys, including the 5th Haleon Pain Index, and used findings to help health professionals and patients better understand how to talk about and manage pain effectively. Activated local initiatives, such as a micronutrient deficiency campaign in India. Expansion of the Health Partner Portal to cover more than 50 markets with over 665,000 users. Expanded the areas of study for our Centre for Human Sciences.
 <p>Investors want sustainable performance for long-term shareholder value, strong corporate governance and commitment to the management of responsible business issues.</p>	<ul style="list-style-type: none"> Regular updates to the Board and Executive Team on investor, shareholder, and analyst perceptions. Review of strategy and responsible business agenda incorporating investor feedback. Participation in and ratings from ESG indices used by investors, e.g. DJSI and Sustainalytics.
 <p>Suppliers value trust-based relationships, underpinned by responsible practices, values and policies. They help us protect business continuity and achieve our environment ambitions.</p>	<ul style="list-style-type: none"> Held our first supplier sustainability event as a standalone company. Innovation events with suppliers resulted in product innovation ideas. Defined ESG supplier targets. Launched Supplier Diversity programme to drive new opportunities and innovation.

Health inclusivity

Haleon's purpose is to deliver better everyday health with humanity. We know there is more we can do to help improve health inclusivity for all.

41m+

people empowered to be more included in opportunities for better everyday health.



Health inclusivity fact sheet

Further information on the reporting criteria for selected data points can be found within the corresponding sections of this report and in the [Haleon 2023 Responsible Business Basis of Reporting](#).

	2023	2022
Our aims		
Empower millions of people a year to be more included in opportunities for better everyday health, empowering 50 million people a year by 2025 ¹	41m+ ²	22m+ ³
Other health inclusivity and social metrics		
Donations to charitable causes	£11.2m ⁴	Not reported

Definitions

Empowered - for a person to be empowered they require agency (capability to act or to choose what action to take - e.g., skills, knowledge, understanding) and/or resources (the means to act - e.g., tools, products) to be more included in opportunities for better everyday health.

Health inclusivity - the process of removing the personal, social, cultural, and political barriers that prevent individuals and communities from experiencing good physical, mental and social health, and a life fully realised.⁵

Opportunities for better everyday health - the circumstances for people to take proactive steps to maintain and improve their health and quality of life through the products they use as well as the behaviours, habits, and lifestyle they maintain to treat and manage self-limiting conditions, as well as to prevent ill health with or without the support of a healthcare provider.

Self care - the ability of individuals, families, and communities to promote health, prevent disease, maintain health, and cope with illness and disability with or without the support of a health worker.

¹ Where actual data on initiatives contributing to the goal has not been accessible, extrapolations have been applied in a conservative manner to determine indicative results.

² Reporting period = 1 December 2022 to 30 November 2023.

³ Reporting period = 1 January 2022 to 31 December 2022.

⁴ Includes cash and in-kind donations.

⁵ Source: Economist Impact (2023)

Policy positions

>> [Health Inclusivity and Self-Care Policy Position](#)

>> [Improving Global Oral Health Policy Position](#)

>> [Meaningful Access to Vitamin and Mineral Supplements Policy Position](#)

>> [The Role of Pharmacists in Self-Care Policy Position](#)

>> [The Value of Self-Care Policy Position](#)

Health inclusivity

Overview

Health inclusivity is the process of removing the personal, social, cultural, and political barriers that prevent individuals and communities from experiencing good physical, mental and social health and a life fully realised.¹ We want to help as many people as possible to enjoy better everyday health. Widespread disparities in health outcomes exist, which adversely impact communities and economies.² Our strategy focuses on those who are marginalised, including those who are discriminated against because of disability, age, race, ethnicity, gender, or sexuality. There are many barriers to health inclusivity and we have identified the three that we are best placed to help tackle:

1. Health literacy

We can help to grow the knowledge, skills and support that will inform and empower healthy living and healthy behaviours.

2. Healthcare accessibility

We can help improve the availability of, and access to, healthcare that meets the needs of people who are typically held back.

3. Bias and prejudice

We can help to tackle bias and prejudice in healthcare systems and challenge outdated social norms by promoting more inclusive policies and practices.

Taking action

We take action to address these barriers to health inclusivity by:

1. Driving change through our purposeful brands

Our brands help tackle specific barriers that stand in the way of better everyday health.

>> See page 17

2. Empowering self-care

We help improve health knowledge and understanding, empowering people to take better care of themselves.

>> See page 18

3. Investing in research and action

We invest in research that informs the actions of our business and our stakeholders to help millions of people each year be more included in opportunities for better everyday health.

>> See page 19

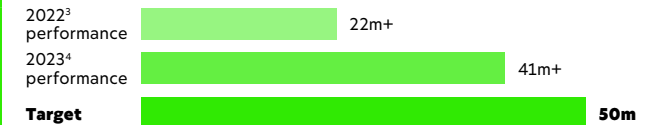
4. Building healthier communities

Our community investment strategy focuses on addressing the barriers to health inclusivity which Haleon, together with our partners, is well placed to act on.

>> See page 20

Our goal

We aim to empower millions of people a year to be more included in opportunities for better everyday health, empowering 50 million people a year by 2025.⁵



¹ Source: Economist Impact (2023).

² Source: Economist Impact (2022).

³ Reporting period = 1 January 2022 to 31 December 2022.

⁴ Reporting period = 1 December 2022 to 30 November 2023.

⁵ Where actual data on initiatives contributing to the goal has not been accessible, extrapolations have been applied in a conservative manner to determine indicative results.

>> Further information on the reporting criteria for the goal can be found in the [Haleon 2023 Responsible Business Basis of Reporting](#).

Health inclusivity

Management approach

Haleon's health inclusivity strategy and progress towards our 2025 social impact goal is tracked and reported to our Health Inclusivity Steering Committee. The Committee is sponsored by the Chief Corporate Affairs Officer, chaired by the Vice President of Sustainability, and includes members of the Executive Team. The Committee meets quarterly to discuss strategic priorities and progress, and to monitor performance against Haleon's social impact goal, via Haleon's responsible business scorecards. The Committee also includes members of our global marketing, R&D, HR, business unit and corporate affairs teams.

Progress against our social impact goal is measured and reported on annually against the number of people empowered by a Haleon Health Inclusivity initiative that aims to improve their self-care in the reporting period. Each initiative is assessed by internal and external subject matter experts to validate that it meets robust criteria against our goal definitions and meets a threshold level of engagement. This includes:

- clearly addressing a significant social issue.
- targeting a specific marginalised group or an audience with limited opportunities to experience better everyday health.
- meeting our definition of empowerment: giving individuals agency or resources to act.
- meeting a threshold level of engagement that goes beyond reach or impressions.

Our community investment programmes also support our health inclusivity ambition. Haleon is a member of the B4SI (Business for Societal Impact) network.

By acting to improve health inclusivity, we can:

- Empower people towards better everyday health and wellbeing.
- Improve health outcomes and reduce the burden on overstretched health systems.
- Help people adopt self-care habits that can positively impact society while complementing Haleon's purpose and strategy.

This section details the actions we are taking to improve health inclusivity, our progress in 2023, and the activities we aim to deliver going forward.

Social impact measurement framework

Our goal

We aim to empower millions of people a year to be more included in opportunities for better everyday health, empowering 50 million people a year by 2025



What we measure

The number of people empowered by a Haleon Health Inclusivity initiative that aims to improve their self-care in the reporting period. To count towards our goal, the following requirements must be met:



The initiative addresses a significant social issue that prevents some people being included in better everyday health.

Meets our threshold level of engagement, for example: an expert completing a training or attending a webinar, or a consumer completing an informative self-test.

Evidence of number of unique individuals who have engaged with the initiative.

Driving change through our purposeful brands

Our brands help tackle specific barriers that stand in the way of better everyday health.

Overview

Our brands play an important role in our corporate purpose, to deliver better everyday health with humanity, by providing solutions and taking actions to help improve the health of millions of people worldwide. Through our brands, we are working to define meaningful ways to address the three barriers to health inclusivity that we are focused on: health literacy, healthcare accessibility, and bias and prejudice.

How driving change through purposeful brands supports our strategy

Our health inclusivity ambitions also support the growth of our brands. A study by Vintura on the health-economic benefits of self-care in Europe found that 8 out of 10 individuals recognise that it is their responsibility to manage their own health and are willing to do so, but only 2 out of 10 feel very confident in doing so.¹

By increasing people's understanding of, and confidence in, how to manage their own health, including through the use of Over-the-Counter medicines and other products, we can help more people take better care of their health. This in turn can empower them to adopt better health behaviours and support the growth of our brands.

Progress in 2023

A number of our brands launched and/or scaled several inclusive products, programmes, and resources aligned to the three barriers to health inclusivity prioritised in our strategy. Examples are presented in the following case studies.



Panadol Pain Phone

Working with the Indonesian healthcare app Halodoc, Panadol set up a mobile clinic, Panadol Klinik Cekatan, and extended this programme to create the Panadol Pain Phone: a telemedicine unit that connects Health Professionals to people in rural communities who have limited healthcare access with a video screen for face-to-face interactions and sensors that measure key health metrics. In 2023, over 7,000 consultations were completed with the mobile clinic in 32 villages in Purworejo Central Java, Indonesia. The expanded mobile clinic and Pain Phone then provided health consultations in 16 village communities in Indonesia affected by the Cianjur earthquake. In total, these initiatives reached over 17,000 people in 2023.

¹ Source: Vintura (2020).

² Source: World Health Organisation (2018).

³ Source: EPA: United States Environmental Protection Agency (2023).

⁴ Source: Advil, in partnership with Morehouse School of Medicine (2023).

Otrivin's Actions to Breathe Cleaner

Otrivin is working to raise awareness of the impact air pollution has on health. Every year, evidence of air pollution's impact on human health mounts, with nine out of ten people worldwide breathing air that exceeds World Health Organisation safe limits.² Air pollution is also an issue of social justice, disproportionately impacting vulnerable communities.² Otrivin initially launched the Actions to Breathe Cleaner programme at COP26 to raise awareness of the links between burning fossil fuels, air pollution, climate change, and health, and to teach young people everyday actions they can take to minimise the health impacts of air pollution. The programme has engaged thousands of schoolchildren across multiple localities in the UK, Poland and India, educating them on actions they can take to breathe cleaner air, such as changing their route to school to reduce exposure to pollution hotspots. The programme provides tips on how to improve indoor air quality and has installed air purifiers in schools in Delhi, India. The team has also collaborated with Ecologi Action Ltd to fund their Improved Cookstoves (ICS) project in Assam, India, designed to help 35,000 households to breathe cleaner air while reducing carbon emissions.

The Advil Pain Equity Project

The Advil Pain Equity Project is a long-term commitment to champion equitable and accessible pain relief. The project was created by Advil and launched in collaboration with Morehouse School of Medicine and BLKHLTH, an organisation that invites Health Professionals and Black communities to discuss and find solutions to health inequity in the US. The project conducted a survey of 2,000 Americans, in which 93% of Black individuals said pain had an impact on their day-to-day life while 74% said there is bias in how pain is diagnosed and treated.⁴

The project launched the Advil Pain Equity Fund in 2023, which awards grants to both Morehouse School of Medicine and BLKHLTH. The initiative has also developed digital tools and resources to help Black patients in the US improve their clinical experience in the near term.

Looking forward

In 2024, we aim to continue to expand many of our current programmes, such as those highlighted on this page, and launch new initiatives, while also further embedding inclusivity into the way we develop communications, products and services.

Empowering self-care

We want to help improve health knowledge and understanding, empowering people to take better self-care.

Overview

To deliver a truly inclusive approach to health, we need to go beyond the traditional provision of health products and equip people with the tools and information to fully participate in their own health.

Self-care is defined by the World Health Organization as “the ability of individuals, families and communities to promote their own health, prevent disease, maintain health, and to cope with illness and disability with or without the support of a health worker.”¹ It plays an important role in improving health inclusivity.

From the first year of the Health Inclusivity Index in 2022, we know that countries with the highest overall levels of health inclusivity empower individuals and communities with the tools to take charge of their own health. This includes promoting health literacy, engaging with community health workers, and providing self-care information.

To make it possible for more people to practise better self-care, we are working with our expert healthcare partners to better understand, advise and support communities by sharing

data and lived experience insights and by providing education. This includes providing Health Professionals with tools and guidance to help them improve their patients' health knowledge and understanding, empowering them to take better care of their own health.

How empowering self-care supports our strategy

Equipping Health Professionals with the tools and resources to provide more holistic and inclusive advice empowers more people to take active care of their health, including by using our products. Beyond those we are able to reach in person with our representatives, Health Professionals who actively engage with the tools and resources on the Haleon Health Partner portal make 50% more recommendations for our brands, compared to those who don't actively engage with the platform. This helps to drive household penetration by encouraging more people to take care of their health using a Haleon brand.

2023 progress

One way in which we engage our network of Health Professionals is through the Haleon Health Partner portal, an online hub providing tools and materials to help Health Professionals talk to patients in ways that advance their health literacy. Members of the Haleon Health Partner portal can access a library of free professional development materials, patient resources, and on-demand webinars, which they can use to empower their patients. In 2023, we worked to expand its reach and provided new webinars, information, and tools on the portal, including the '#ListenToPain' campaign presented in the case study.

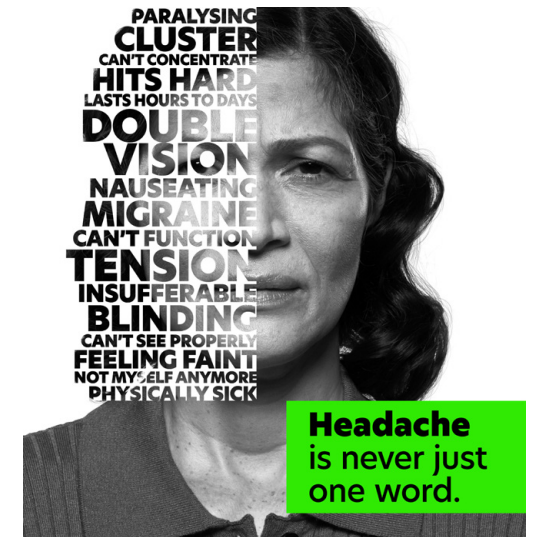
Our brands also engage with Health Professionals and consumers directly, with the aim of improving self-care, for example, Caltrate's programmes in China to educate consumers on bone health.

Looking forward

In 2024, we will continue to expand our educational content and reach with the aim of engaging more Health Professionals through the Haleon Health Partner portal, alongside reaching more people directly through current and new brand programmes.

Caltrate's focus on bone health

The prevalence of osteoporosis and osteoporotic fractures in China is high and has increased noticeably over the last three decades². Caltrate's Bone Health programme engages and educates both Health Professionals and consumers on how to prevent and manage osteoporosis. Caltrate has partnered with the Chinese government since 2014 on this programme. In 2023, the programme conducted 186,000 free bone tests in 90 cities, 593 hospitals, and 736 pharmacy stores across China with the aim of helping people prevent and manage osteoporosis.



#ListenToPain

In 2023, we launched the '#ListenToPain' campaign on the Haleon Health Partner portal, which aims to equip Health Professionals with tools and resources to better understand their patients' pain, so they can manage their unique pain experiences. Based on a deep understanding of the human pain experience, and data and findings from Haleon's 2023 Global Pain Index, the '#ListenToPain' campaign features five different patient profiles that can help Health Professionals maximise the limited time they have with their patients and individualise their approach to pain management.

¹ Source: World Health Organization (no date).

² Source: Economist Impact (2022).

Investing in research and action

We are investing in health inclusivity research to inform the actions of the business and our stakeholders.

Overview

By understanding and exploring where barriers exist to better everyday health, we can inform our own actions and work with others to help address barriers to health inclusion. That is why we are investing in health inclusivity research to deepen our understanding of the barriers to health inclusivity and what we and others can do to overcome them.

How investing in research and action supports our strategy

By supporting health inclusivity and self-care research, Haleon is building evidence to inform and influence policy and create a more enabling environment for self-care - with the aim of increasing prioritisation, resourcing, and investment in preventative health and creating a more enabling environment for self-care. Investing in research helps inform our own and others' actions and opens opportunities for collaboration to increase the scale of initiatives to improve health inclusivity.

Focus in 2023

Health Inclusivity Index - Phase Two

The Health Inclusivity Index, developed by Economist Impact (part of The Economist Group) and supported by Haleon,¹ measures a country's policy landscape and population-level perspectives on efforts towards good mental, physical, and social health for all.

¹ Further information on phases one and two of the Health Inclusivity Index can be found at: <https://impact.economist.com/projects/health-inclusivity-index/?i=5>

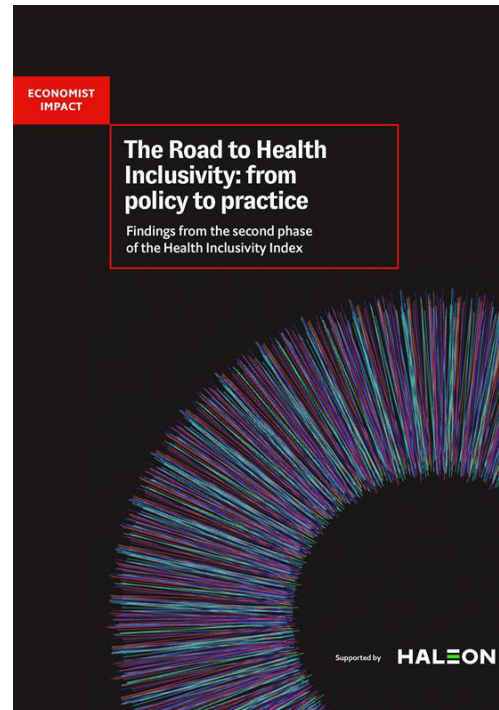
For phase two of the Index, we worked with Economist Impact to deepen the research by exploring how different healthcare systems turn policy into practice. The second phase builds on the first by bringing in the lived experiences of thousands of people to understand the extent to which efforts to promote health inclusion are working in practice. The research captured the insights of 42,000 people across 40 countries, collected digitally and in person, and included focus groups with marginalised communities and organisations working to support them to ensure hard-to-reach groups' perspectives were included.

The findings

Compared with the results of phase one of the Index, health inclusivity scores fell worldwide under phase two of the study, with the addition of the lived experience data. The declining scores in phase two expose a policy-practice gap between governments' ambitions to deliver inclusive health policies and systems and people's real-life experience of them, with high-income countries displaying the largest gaps.

In common with last year's results is a finding that empowering people and communities to have greater agency over their health is a key driver of inclusion. Low- and middle-income countries outperform wealthier countries in this area due to their focus on community-based services, self-care, and health literacy programmes. For example, 73% of people in low- and middle-income countries have been given advice or information on managing their health at home, compared with 65% in high-income countries. Consequently, the policy-practice gap in low- and middle-income countries is much smaller than in high-income countries.

Findings show that more than three in five people worldwide experience health exclusion, with vulnerable and younger populations the worst affected. 66% of those surveyed face at least one barrier in accessing healthcare services.



Taking action

As a global leader in consumer health, Haleon will leverage the learnings from the Index to engage governments, policymakers, and partners globally and seek to work together to tackle the biggest barriers to health inclusivity. The insights will inform Haleon's priority actions on health inclusivity.

This includes shaping our next phase of work with UCL to capture exemplars of on-ground actions that are making a meaningful and measurable difference in better including specific marginalised communities. Three initial exemplars launched alongside the Index in November, with more to follow in 2024.

Looking forward

We look forward to supporting Economist Impact to further evolve the Health Inclusivity Index for phase three and to engaging key stakeholders with the aim of mobilising broader actions to address the current findings.

Building healthier communities

Overview

Communities across the world are facing barriers to better everyday health¹. Challenges with health literacy, an inability to access the right care, and bias and prejudice can hold people back across the communities in which we live and work.

That is why building healthier communities is critical to making everyday health more inclusive. We identify opportunities where we can have the most impact, providing local and global charitable donations, including funding, product donations and our employees' time through volunteering initiatives.

Central to our efforts is working closely with our trusted partners, including Smile Train and Direct Relief. Together, we pair Haleon's expertise, products, strategic charitable investments, and the passion of our people with our partners' infrastructure and intimate understanding of the issues faced by our communities to deliver impactful programmes.

In addition to the development and execution of key global programmes, local markets are working to translate ambition into action by developing programmes. In India, we're helping train the next generation of dentists through our Sensodyne Shining Star Scholarship programme, in partnership with the Indian Dental Associations and NGO Buddy4Study.

In 2023, 200 scholarships were granted to provide financial assistance to highly promising dental students from underprivileged areas to support their academic and living expenses while studying for the four-year course.

In the US, through our Haleon Helps volunteering programme, our colleagues across Haleon sites packed more than 5,000 health kits for Direct Relief to distribute to community organisations across the US. In Egypt, we have joined forces with the non-profit Ibrahim Ahmed Badran Foundation to provide free healthcare services and champion self-care awareness among 10,000 citizens.

£11.2m

donated to charitable causes in 2023.²

Looking forward

In 2024, we will continue to drive positive impacts through our current global programmes, while continuing to embed our community investment strategy and volunteering programme across the business.

Supporting those impacted by the earthquakes in Turkey and Syria

In February 2023, devastating earthquakes overnight claimed thousands of lives in Turkey and Syria, destroying homes and businesses, and impacted millions of people. We made a financial donation to support the efforts of our global humanitarian partner, Direct Relief, followed by a donation of health and hygiene products.

The local Haleon team worked in collaboration with the Turkish Dentist Association to distribute oral health products and establish Oral and Dental Health Service Units across 25 locations in the 11 cities of the impacted region. Dentists were invited to return to

practise using these units and provided treatment for more than 10,000 people.

Haleon also collaborated with a local NGO, IDEA Universal, to launch the Smart Life Station project in the earthquake zone. We donated two stations providing clean drinking water and electricity to support those displaced and living in temporary tented villages. The stations are the size of a small kiosk and contain a filtration mechanism, which can purify up to 10,000 litres of drinking water to WHO quality standards on a daily basis, to serve the needs of up to 3,000 people.



Supporting today for a bright future tomorrow

For first-year BDS students



Fathimath Misiya
Sensodyne IDA Scholar Batch 1

HALEON

¹ Source: World Health Organization (no date).

² Includes cash and in-kind product donations.

Environment

Making better everyday health more sustainable is fundamental to our business.

We aim to reduce the impact our business activities, products, and supply chains have on the environment.

48%*

reduction in market-based net Scope 1 and 2 carbon emissions vs a 2020 baseline.

70%*

recycle-ready packaging.



Environment fact sheet

Further information on the reporting criteria for selected data points, as well as information on reporting developments and improvements, can be found within the corresponding sections of this report and in the [Haleon 2023 Responsible Business Basis of Reporting](#).

Our aims	2023	2022
Reduce our net Scope 1 and 2 carbon emissions by 100% by 2030 vs a 2020 baseline ¹	48%* reduction	44% reduction
Reduce our Scope 3 carbon emissions from source to sale by 42% by 2030 vs a 2022 baseline ²	4% increase	-
Develop solutions for all product packaging to be recycle-ready by 2025, as part of our goal to make all packaging recyclable or reusable by 2030, where safety, quality, and regulations permit.	70%* recycle-ready packaging	65% recycle-ready packaging
Reduce our use of virgin petroleum-based plastic by 10% by 2025, and a third by 2030 vs a 2022 baseline ²	3% increase	-
All of our key agricultural, forest and marine-derived materials used in our ingredients and packaging to be sustainably sourced and deforestation-free by 2030 ²		
Palm oil derivatives	91%	92%
Paper-based packaging	48%	-
Soy derivatives	100%	-
Corn/wheat derivatives	77%	-
Mint oils and flavours	51%	-

Definitions

- **Non-virgin petroleum-based plastic** – plastic which has either (i) been recovered from plastic waste converted back into plastic (either through mechanical or advanced/chemical recycling), or (ii) made from a bio-sourced or other novel non-virgin petroleum feedstock(s).
- **Recycle-ready** – product packaging and devices that are made of materials that are proven to be compatible with existing or emerging recycling infrastructure. In line with the CDP definition of ‘technical recyclability’ this does not take into account whether the collection, sorting, and recycling of the packaging or device happens in practice, at scale, and with reasonable economics.
- **Sustainably sourced** – for the key material supply chains in scope of our sustainable sourcing goal, we define “sustainably sourced” as materials which have either (i) been certified by recognised global certification programmes where these are available, or (ii) where recognised programmes are not available, meet clear standards and processes for sustainable sourcing based on the specific issues and opportunities for each material, which have been agreed in advance with independent experts.
- **Virgin petroleum-based plastic** – plastic that is made from petrochemical feedstock such as natural gas or crude oil that has come from a fossilised source and/or embedded in geological formations and has never been used or processed before.
- **Water neutral** – status of a site when the amount of water replenished in its catchment area exceeds its water withdrawal.

Policies and policy positions

- >> [Environmental Sustainability Policy](#)
- >> [Climate Action Policy Position](#)
- >> [Pharmaceuticals in the Environment Policy Position](#)
- >> [Sustainable and Deforestation-Free Sourcing of Materials Policy Position](#)
- >> [Sustainable Packaging Policy Position](#)
- >> [Trusted Ingredients, Sustainably Sourced Policy Position](#)
- >> [Waste: Circularity and Reduction Policy Position](#)
- >> [Water Stewardship Policy Position](#)
- >> [Working with Responsible Third Parties Policy Position](#)

Disclosures

- >> [2023 TCFD disclosure \(page 24\)](#)
- >> [Climate Action Transition Plan](#)
- >> [2023 Streamlined Energy and Carbon Reporting \(page 188\)](#)
- >> [Additional performance data can be found in our 2023 ESG Databook](#)

¹ 2023 reporting period = 1 December 2022 to 30 November 2023. 2022 reporting period = calendar year. Data for the 2022 reporting period has been restated to the calendar year.

² 2023 reporting period = 1 July 2022 to 30 June 2023. Scope 3 and virgin plastic 2022 baseline year reporting period = calendar year. Sustainable sourcing and recycle-ready packaging 2022 reporting period = 1 July 2021 to 30 June 2022.

* KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK) 3000, over the selected data indicated, which has been extracted from Haleon's 2023 Annual Report and Form 20-F. See page 6 for further information.

Environment

Overview

Working to minimise our impact on the environment matters to Haleon and its key stakeholders and is becoming increasingly urgent given the limited time available to turn the tide on climate change and on nature and biodiversity loss. It is also becoming more personal as millions more people are directly impacted by the effects of climate change and other environmental issues.

We aim to reduce our environmental impact and embed standards through our supply chain to make better everyday health more sustainable by:

- Tackling carbon emissions.
- Making our packaging more sustainable.
- Sourcing trusted ingredients more sustainably.
- Integrating water stewardship and waste circularity in our operations.

Haleon is committed to transparent reporting of our environmental footprint and giving regular updates on our progress towards meeting our environmental goals. This section outlines the action we are taking to reduce our impact on the environment, our progress in 2023, and the activities we are focused on delivering next.

Management approach

Our Environmental Sustainability Policy outlines our environmental standards and commitments. Haleon's environmental performance and progress towards our goals is governed by our Environment Steering Committee, which is sponsored by our Chief Corporate Affairs Officer, chaired by the Vice President of Sustainability, and includes members of the Executive Team. The Committee meets at

least quarterly to discuss strategic priorities and progress and monitor the performance of our environmental indicators, via Haleon's responsible business scorecards. The Committee also includes members of our global marketing, supply chain, and R&D teams, as well as our business units, to ensure that key stakeholders are held accountable for delivering action, and environmental sustainability is embedded across our business activities.

In 2023, we launched a sustainability impact assessment tool. It is a simplified Life Cycle Analysis tool, which enables our R&D scientists to quickly and easily evaluate innovations to understand if their environmental impact is the same, better, or worse than previous products. Only projects scoring "same" or "better" should be approved unless there is a strong rationale for an exception. In 2024, we will set targets for the percentage of products scoring "better", with the aim of increasing them over time. This process ensures that our innovation pipeline is helping to reduce our environmental footprint.

Update to environmental baselines

We continue to improve the data collection processes used to measure and track our Scope 3 emissions and virgin petroleum-based plastic footprint. We have updated our baseline year for these goals from 2020 to 2022, when we became a standalone business, as the 2022 data used to calculate and substantiate our packaging footprint and value chain emissions has greater availability and accuracy.



Tackling carbon emissions

The case for action on climate change is clear and urgent. We are taking positive steps to reduce our carbon footprint.

Overview

In 2023, the Intergovernmental Panel on Climate Change (IPCC) once again stressed the need for urgent action to avert the most serious impacts of climate change. The World Health Organization (WHO) has identified climate change as a fundamental threat to human health, with 3.6 billion people already living in areas highly susceptible to climate change.¹ Climate change is already damaging human health in a myriad of ways, from extreme weather events to decreased air quality and illnesses transmitted by food, water, and disease carriers such as mosquitoes and ticks.²

These impacts will increase unless urgent action is taken. We have therefore set Greenhouse Gas (GHG) emissions-reduction targets in line with the IPCC pathway to 1.5°.

How tackling carbon emissions supports our strategy

Our environmental strategy aims to reduce our impact on the environment by reducing GHG emissions in our own operations and supply chain while doing our part to mitigate the effects of climate change on human health. We are also actively involved in initiatives that help consumers understand the health impacts of climate change and air pollution.

Haleon's climate strategy helps us to reduce climate-related risks in our operations and supply chain and take advantage of any potential climate-related opportunities, and our first Climate Action Transition Plan provides details of the actions we are taking across our value chain to decarbonise.

We are also working to raise awareness of how climate change increases air pollution and damages health. We joined the World Economic Forum's Alliance for Clean Air in 2023, committing to establish our air

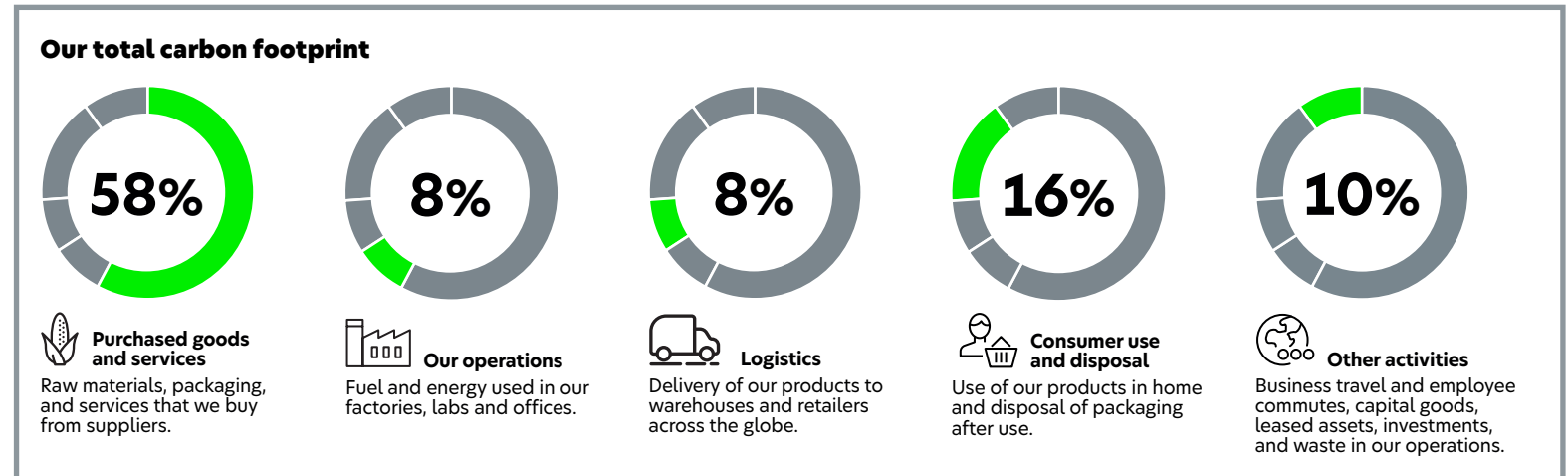
pollution footprint, set objectives to reduce our air pollution emissions, and act as champions to raise awareness of the impacts of air pollution. In alignment with Alliance for Clean Air methodology, we have published our first air quality emissions inventory in our Haleon 2023 ESG Databook.

Our total carbon footprint

Taking a life-cycle approach, we measure and disclose carbon emissions across our full value chain, capturing emissions across the Scope 1, 2 and 3 categories relevant to our business.

While our Scope 3 emissions-reduction goal and the progress we record towards that goal is limited to 'source to sale' and does not include use-phase or end-of-life emissions, our measurement and disclosure of our Scope 3 emissions footprint does include emissions from the use-phase and from end-of-life.

In 2023, Haleon's carbon emission footprint across Scope 1, 2, and 3 was estimated at 2.5 million tonnes CO₂e.³



¹ Source: WHO (2023).

² Source: Maibach E. et al., (2015).

³ 2023 Scope 1 and 2 (location-based) carbon emissions reporting period = 1 December 2022 to 30 November 2023.
2023 Scope 3 carbon emissions reporting period = 1 July 2022 to 30 June 2023.

Tackling carbon emissions

Measurement approach

We conduct our GHG emissions data collection, calculations, measurement, and reporting in line with the Greenhouse Gas Protocol. Our baseline year reporting period for Scope 1 and 2 carbon emissions-reduction is the 2020 calendar year, and the 2022 calendar year for Scope 3 carbon emissions. As described on page 23, we have updated the baseline year for our Scope 3 emissions from 2020 to 2022, as the 2022 data used to calculate and substantiate our Scope 3 emissions has greater availability and accuracy.

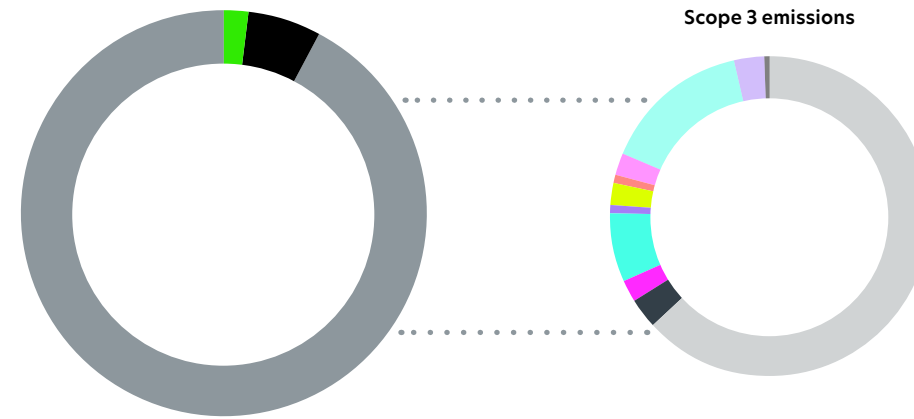
We have committed to significant near-term carbon emissions reduction by 2030 and **net zero carbon emissions** from source to sale² by 2040, aligned to guidance from The Climate Pledge and Race to Zero.



Haleon is a signatory to **The Climate Pledge**.

During August, the Science Based Targets Initiative (SBTi) validated our near-term target to reduce absolute Scope 1 and 2 GHG emissions by 95% by 2030 from a 2020 base year.³ Our Scope 3 reduction target, based on its original 2020 baseline, was also validated by SBTi. We will re-submit our Scope 3 target with its updated 2022 baseline for revalidation this year.

2023 total carbon emissions footprint¹



● Scope 1	2%
● Scope 2 (location-based)	6%
● Scope 3	92%

Scope 3 emissions categories

● Category 1 - Purchased goods and services	63%
● Category 2 - Capital goods	3%
● Category 3 - Fuel and energy-related activities	2%
● Category 4 - Upstream transportation and distribution	7%
● Category 6 - Business travel	1%
● Category 7 - Employee commuting	2%
● Category 8 - Upstream leased assets	1%
● Category 9 - Downstream transportation and distribution	2%
● Category 11 - Use of sold products	15%
● Category 12 - End-of-life treatment of sold products	3%
● Categories 5 and 15 - Waste generated in operations, investments	<1%

¹ 2023 Scope 1 and 2 (location-based) carbon emissions reporting period = 1 December 2022 to 30 November 2023. 2023 Scope 3 carbon emissions reporting period = 1 July 2022 to 30 June 2023. Further information on the reporting criteria can be found in the Haleon 2023 Responsible Business Basis of Reporting.

² Our net zero target spans carbon emission categories from source to sale (excluding GHG protocol categories 6, 7, 10-15). It covers mandatory Scope 3 upstream and downstream emissions. It excludes indirect consumer use-phase emissions, such as emissions associated with water used with our products.

³ The target boundary includes biogenic land-related emissions and removals from bioenergy feedstocks.

Tackling carbon emissions

Scope 1 and 2 emissions-reduction

Overview

Our Scope 1 and 2 carbon emission programme targets an absolute reduction of 95% of carbon emissions from sites in our operational control by 2030, versus our emissions in 2020. This will be primarily driven by conversion to renewable energy sources.

Our Scope 1 and 2 emissions-reduction strategy is focused on three areas:

- Decarbonising our heat production by electrifying our heat, switching fuels, and abating the remaining emissions through additional and high-quality carbon offsets.
- Switching to renewable energy sources for our electricity, through installation of renewable energy sources on or near our sites, or by procuring renewable electricity.
- Continuing to reduce our energy demand through energy efficiency and management programmes.

Our goal¹

We aim to reduce our net Scope 1 and 2 carbon emissions by 100% by 2030 vs a 2020 baseline²

2023 performance

48%*
reduction vs 2020

2022 performance

44%³
reduction vs 2020

Moving forward, our focus is on reducing our Scope 1 carbon emissions. To achieve this, we are working to switch to renewable energy sources, replacing carbon-emitting technologies used at our sites, such as fossil-fuel-powered boilers, with heat pumps, steam generators, and renewable fuels – including green gas and hydrogen – between now and 2030.

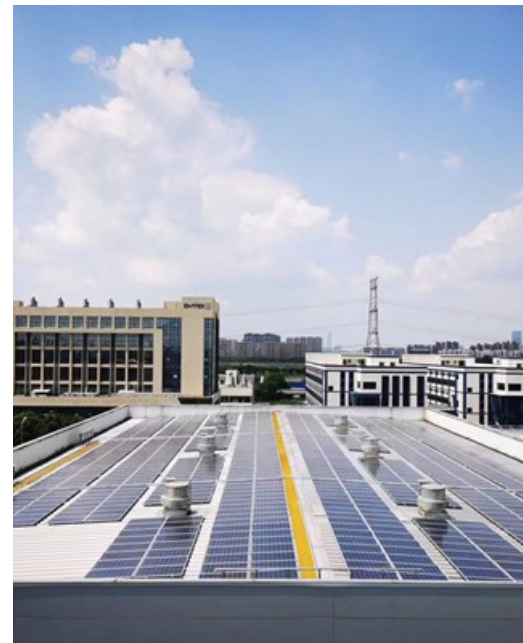
Progress in 2023

Haleon has made significant progress in decarbonising its net Scope 1 and 2 emissions, with a reduction of 48%*¹ against our 2020 baseline of 96,000* tonnes tCO₂e³. This has been achieved by reducing our use of energy and switching to 100%* renewable electricity across sites in our operational control through a combination of actions: installing site-based solar energy systems, and purchasing local renewable energy contracts (Power Purchase Agreements), green tariffs or Renewable Energy Certificates to match our grid power

demand. Our 100% renewable electricity aim was achieved in 2022 and maintained in 2023. We reported 53%* renewable energy use in the 2023 reporting period, an increase of 17% compared to our 2020 baseline year.

Looking forward

In 2024, our primary focus will be on progressing initiatives to address our remaining Scope 1 emissions. In preparation, we have started investing at sites in Haleon's operational control and will continue as we progress our plan.



Investing in more renewable energy

In 2023, we invested more than £5.7m in projects to transition to renewable energy sources and make our sites more energy-efficient. At our Nyon site in Switzerland, we replaced a 25-year-old gas boiler with five fully integrated heat pumps. This is the first of such conversions from fossil-fuelled boilers at our sites to reduce our Scope 1 emissions. Our investments in 2023 also allowed us to install additional solar electricity generation equipment, as well as implement more energy-efficient equipment and improved metering at several of our sites.

¹ 2023 reporting period = 1 December 2022 to 30 November 2023. 2022 reporting period = calendar year. Carbon offsets account for 25% of our market-based Scope 1 and 2 carbon emissions in the 2023 reporting period.

² Our goal to reduce net Scope 1 and 2 carbon emissions by 100% by 2030 is underpinned by a 95% absolute reduction target. The 2020 baseline year reporting period = 1 January 2020 to 31 December 2020.

³ Calculated in accordance with methodology and data improvements and updated carbon emissions factors for our 2020 baseline, and so differs from the value disclosed in the 2022 Annual Report and Form 20-F.

Our updated total Scope 1 and 2 emissions (market-based) 2020 baseline is 96,000 tonnes CO₂e*, compared to the 89,000 tonnes CO₂e reported in 2022. The reporting period has been re-stated to the 2022 calendar year.

* KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK) 3000, over the selected data indicated, which has been extracted from Haleon's 2023 Annual Report and Form 20-F. See page 6 for further information.

Tackling carbon emissions

Scope 3 emissions-reduction

Overview

The vast majority of our source to sale Scope 3 carbon emissions are generated by the raw and active pharmaceutical ingredients, packaging, and services we buy and use to make our products. Key contributors to these carbon emissions from our purchased goods and services include multilayer laminate tubes (ABL), paper packaging, and active pharmaceutical ingredients.

Having identified the key contributors to our Scope 3 footprint, we will now focus on systematically reducing their impact. We are a business with strong organic growth ambitions, and so we need to offset the associated emissions with robust reduction efforts. Our Scope 3 emissions-reduction strategy is focused on three areas:

- Optimise: short-term actions we can take to decarbonise across our value chain, driven by the co-benefits of other environmental initiatives (for example, right-sizing our packaging and switching from virgin plastic to recycled plastic) and by working with our suppliers to incentivise their transition to renewable energy.
- Re-engineer: reducing and/or replacing carbon emission-intensive raw and packaging materials.
- Re-invent: re-designing product formats and formulations to dramatically reduce their carbon emission footprints.

We are focusing first on purchased goods and services by building joint action plans with suppliers to address our highest carbon emission-intensive raw and packaging materials.

Our ability to deliver our Scope 3 emissions reduction strategy is dependent on several factors outside of Haleon's direct control. This includes the willingness and ability of our suppliers to reduce GHG emissions from their own operations, the transition of electricity grids to renewable energy, and cost-effective technical solutions being available at scale to replace emission-intensive raw and packaging materials with lower-intensity alternatives.

Progress in 2023

In our 2023 reporting period, our source to sale Scope 3 emissions increased by 4% versus our 2022 baseline.^{1,2} This increase was driven by a mixture of volume growth, inventory holding, and the mix of products sold and services purchased in the reporting period. In 2023, our focus was on developing our three-tiered strategy to reduce our Scope 3 emissions in line with our goals and establishing key programmes of work to enable this. As we begin to implement these programmes, we anticipate this translating into reported reductions in our Scope 3 emissions in coming years.

Industry collaboration

Working with other organisations is necessary to drive the systems-level change needed to decarbonise upstream in our value chain by accelerating suppliers' switch to renewable electricity and energy. We are working with

Manufacture 2030, a platform with support services to help businesses' suppliers measure, manage, and reduce emissions. We have requested that all key suppliers join to drive the consistency and transparency of their sustainability reporting. Consistent and transparent reporting of carbon emissions in our supply chain helps us achieve our aim of improving our Scope 3 emissions footprint data and enables us to take increasingly targeted action.

Haleon continues to raise awareness of the impact climate change has on everyday health to help drive urgent action. To do this, we are working with Forum for the Future, a non-governmental organisation (NGO) with expertise in galvanising systems change, as a co-founding member of the Climate and Health Coalition. The Climate and Health Coalition is a multi-stakeholder initiative with a mission to mobilise and equip the private sector to play a key role in accelerating the transformation of our health and climate systems towards outcomes that deliver benefits for both people and the planet. For COP28, the Climate and Health Coalition released a toolkit to equip businesses to act on climate and health. The toolkit contains a self-assessment to understand an organisation's starting point and, based on this, various action modules and case studies to put into practice.

We are also a member of Zero100, a research and insights organisation helping bring leaders together to power growth, resilience, and sustainability through digital supply chain transformation.

Our goal ¹

We aim to reduce our Scope 3 carbon emissions from source to sale by 42% by 2030 vs a 2022 baseline.²

2023 performance

4%

estimated increase vs 2022

Looking forward

We look forward to progressing our Re-engineer and Re-invent programmes in the coming years while continuing to also prioritise engaging our suppliers on their journey to transition to more renewable energy (see page 56) and realise co-benefits from the delivery of our other environmental commitments.



¹ 2023 reporting period = 1 July 2022 to 30 June 2023. 2022 baseline year reporting period = calendar year. Further information on the reporting criteria for the goal can be found in the [Haleon 2023 Responsible Business Basis of Reporting](#). For details of the change to our baseline year, see page 23.

² Our Scope 3 carbon emissions target spans all carbon emission categories from source to sale (excluding GHG protocol categories 6, 7, 10-15). It covers mandatory Scope 3 upstream and downstream emissions. It excludes indirect consumer use-phase emissions, such as emissions associated with water used with our products. 2022 baseline year reporting period = calendar year.

Making our packaging more sustainable

We are transitioning our product packaging to more circular models to minimise waste and pollution.

Overview

Packaging is necessary to safely deliver our products to consumers and customers. We choose the most appropriate packaging formats and materials to meet all safety, quality and regulatory requirements. Our priority is to deliver inclusive, safe and effective consumer healthcare products, so selecting packaging that will uphold product integrity for its full shelf life, while meeting quality, safety and regulatory requirements and ensuring our products are child-safe and senior-friendly, is paramount.

Across our product packaging, we are working to minimise waste and associated pollution by moving to a more circular model while reducing our dependency on non-renewable sources. Packaging and plastic pollution is one of our consumers' top environmental concerns and we are committed to addressing this by making our packaging more sustainable.

Large-scale industry transformation is required to enable the circular approach needed to meet our goals, so we are working with partners to drive global and local initiatives to improve the recyclability of consumer health packaging. While we are taking action to make our packaging more sustainable, we recognise that achievement of our goals also has external dependencies, including: waste infrastructure in local markets to cost-effectively collect, sort, and recycle consumer health waste; availability and affordability of recycled plastic resin that meets the quality, safety and regulatory

standards for our products; and an enabling regulatory environment for the use of post-consumer recycled plastic and alternative materials (e.g. cellulose packaging).

Our packaging goals have been set with these external dependencies in mind. Specifically, our virgin plastic reduction goal is calibrated considering limitations in the use of mechanically recycled plastic for healthcare products. We are working with suppliers to access bioplastics and chemically recycled resins suitable for healthcare products, while introducing mechanically recycled plastics in some product formats where permitted.

We also seek to ensure that sustainable packaging solutions we identify, both to reduce our use of virgin plastic and to transition our packaging to being recycle-ready, continue to meet robust safety standards for our products, including child-resistant, senior-friendly (CRSF) specifications.

How making our packaging more sustainable supports our strategy

Many of our key retailers have set their own sustainability commitments and will reject products if they do not meet their sustainability criteria, many of which include expectations for sustainable packaging. However, if products do meet their requirements, they can be included in retailers' sustainable choices ranges, which, based on our experience, grow +7-11% faster than the category average.

Our packaging goals have also been calibrated to help safeguard our business against increasing regulation, for example the EU's Packaging and Packaging Waste Regulation, and extended producer responsibility schemes targeted at non-recyclable packaging. We are supportive of these and similar schemes to drive industry change towards more sustainable packaging solutions.

Measurement approach

The scope of our packaging goals includes products manufactured both within our own network and by third parties. Our measurement is extrapolated from our internal manufacturing data and is not currently based on data from third-party manufacturers. For our virgin plastic reduction target, the baseline year reporting period is the 2022 calendar year. As described on page 23, we have updated the baseline year for our virgin plastic reduction goal from 2020 to 2022, as the 2022 data used to calculate and substantiate our virgin plastic footprint has greater availability and accuracy.



Making our packaging more sustainable

Virgin plastic reduction

Overview

We aim to reduce the use of virgin petroleum-based plastic in our packaging by using less plastic, increasing the use of alternative packaging materials, and using recycled and bio-based¹ plastic in our packaging.

Haleon is committed to delivering significant reduction through a combination of:

- Optimising our packaging to reduce the absolute amount of material we use through more compact design, for example, reducing headspace, and right-sizing our packaging.
- Substituting virgin plastic with alternative resins, for example, recycled plastic and bio-resin, as alternative feedstocks to virgin petroleum-based plastic.
- Innovating to develop new packaging formats, for example, new-to-industry technologies and materials, and new product formats, packaging solutions, and/or delivery models such as reuse and refill.

Progress in 2023

In 2023, our estimated virgin petroleum-based plastic footprint increased by 3% compared to our 2022² baseline year. Our programmes of right-sizing our packaging and using less plastic have helped us begin to de-couple business and volume growth from plastic consumption, but their impact is not yet sufficient to offset the combination of sales volume growth and the mix of products sold that have driven an increase in the 2023 reporting period.

We still aim to deliver a significant virgin plastic reduction by 2025 in line with our ambition based on our pipeline of reduction projects using alternative sources of plastic. The first wave of these projects began to take effect in the latter half of 2023, outside of our 2023 reporting period, including Centrum Gummies in the US packaged in bottles made from up to 100% recycled plastic (not including the cap), packaging that we plan to roll out more broadly across our VMS portfolio. This will be followed by initiatives to replace virgin plastic with recycled plastic in other material product formats for Haleon, including toothpaste tube caps and toothbrushes.

To support our aims, we will continue to act with industry consortia to help develop and scale alternatives to virgin petroleum-based plastic and demonstrate how these can be used for consumer healthcare packaging applications.



Image illustrative and not final design

Seeking a circular solution for blister packaging

Haleon is a founding member of the Blister Pack Collective, which works to reduce plastic usage and drive circularity for tablet blister packaging. PA Consulting and PulPac created the Blister Pack Collective to facilitate cross-industry collaboration - including representation from pharmaceutical, consumer health, and FMCG businesses - to provide alternatives to the use of non-recyclable plastics in Over-the-Counter and prescription drug packaging and accelerate progress towards more sustainable blister tablet packaging. The Collective is exploring a dry moulded fibre tablet pack which, in addition to reducing plastic packaging, would also reduce CO₂ emissions and water usage in production compared with wet moulded alternatives.

Our goal²

We aim to reduce our use of virgin petroleum-based plastic by 10% by 2025, and a third by 2030 vs a 2022 baseline.

2023 performance

3%

estimated increase vs 2022

Looking forward

In 2024, we aim to launch several products packaged with recycled plastic. As we consider and implement these changes, we will continue to maintain our high standards for product quality and safety.

¹ Bio-sourced or bio-based plastic means plastic that is wholly or partly derived from materials of biological origin, excluding materials embedded in geological formations and/or fossilised.

² 2023 reporting period = 1 July 2022 - 30 June 2023. 2022 baseline year reporting period = calendar year. Scope includes product packaging and some devices, including toothbrushes.

Further information on the reporting criteria for the goal can be found in the [Haleon 2023 Responsible Business Basis of Reporting](#). For details of the change to our baseline year, see page 23.

Making our packaging more sustainable

Packaging recyclability

Overview

Making our packaging recycle-ready¹ is a key milestone to achieving recyclability, whereby a packaging format is effectively collected, sorted and recycled in practice and at scale in at least one region. We are also working as part of wider industry collaborations with an aim to improve the recyclability of consumer health waste.

Paper packaging accounts for about half of our packaging formats, the vast majority of which are recycle-ready today. For our plastic packaging, our primary focus for recycle-ready is on our products sold in tubes and bottles, as these formats account for the largest share of our plastic packaging. Although smaller in absolute share of our plastic packaging footprint, blisters and sachets are also a key focus. Our recycle-ready approach for these formats has been informed by best practice industry guidelines, such as the Consumer Goods Forum's Golden Design Rules, and the Circular Economy for Flexible Packaging (CEFLEX) guidelines.

Our approach for recycle-ready is to:

- Remove problematic plastics (for example PVC).
- Transition from composites (for example plastic-metal) to mono-material packs.
- Pick materials that are compatible with existing and emerging recycling streams.

Progress in 2023

70%² of our packaging was recycle-ready in 2023, increasing from 65% in 2022². This increase continues to be driven by: the rapid roll-out of recycle-ready mono-material toothpaste tubes; modifications in our bottle portfolio, including mouthwash, so that plastics are capable of being recycled; and the continued roll-out of recycle-ready sachets, primarily in India for our Eno product.

Industry collaboration

Consumer healthcare product packaging has limited recyclability in current waste infrastructure due to the challenges of collecting and sorting small formats. Significant collaboration is needed with stakeholders across the full value chain of waste management. We are therefore working with partners to drive global and local initiatives to meet our goal of collecting, sorting and recycling our packaging at scale by 2030.

Following successful efforts by Haleon and our peers to transition toothpaste packaging to a technically recyclable format, in some markets a level of market convergence into mono-material high-density polyethylene (HDPE) toothpaste tubes has been achieved, creating the right conditions for toothpaste tubes to be reclassified as recyclable. Demonstrating this, the Waste & Resources Action Programme (WRAP) and On-Pack Recycling Label (OPRL), who make this determination in the UK, have decided that toothpaste tubes can be labelled as recyclable in that country.

Our goal²

We aim to develop solutions for all product packaging to be recycle-ready by 2025, as part of our goal to make all packaging recyclable or reusable by 2030, where safety, quality, and regulations permit.

2023 performance

70%*

recycle-ready packaging

2022 performance

65%

recycle-ready packaging

Our next aim is to replicate this success with our products manufactured in blister packaging. We are working with the Global Self-Care Federation (GSCF) and the Sustainable Medicines Partnership to better understand the regulatory barriers to the recycling of pharmaceutical packaging, including blister packaging, and potential solutions. We have established a Blisters Task Force with GSCF to trial the detection, sorting, and handling of different material blisters and catalyse an industry-wide shift to mono-material blisters, a key enabler and precursor to making blister packaging recyclable.



¹ Recycle-ready refers to product packaging and devices that are made of materials that are proven to be compatible with existing or emerging recycling infrastructure. In line with the CDP definition of 'technical recyclability', this does not take into account whether the collection, sorting and recycling of the packaging or device happens in practice, at scale, and with reasonable economics.

² 2023 reporting period = 1 July 2022 to 30 June 2023. 2022 reporting period = 1 July 2021 to 30 June 2022.

* KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK) 3000, over the selected data indicated, which has been extracted from Haleon's 2023 Annual Report and Form 20-F. See page 6 for further information.

Making our packaging more sustainable

Packaging recyclability



One billion recycle-ready toothpaste tubes

Haleon has achieved its goal of producing 1 billion recycle-ready toothpaste tubes - across multiple brands - two years ahead of the 2025 plan. Having first launched this initiative in Europe in 2020, while part of GSK, we have since expanded the availability of recycle-ready tubes across several continents.

We are also working with our peers and collaborators in the waste industry to create more effective recycling systems and encourage positive consumer behaviours around recycling. Haleon is working alongside Colgate-Palmolive, New Jersey-based Mazza Recycling and San Francisco-based AI company Glacier to improve the sorting of waste at recycling centres in New Jersey, USA. The collective is trialling the use of a ground-breaking AI model that can accurately detect tubes in recycling facilities in real-time, to help with the sorting of recyclable waste. The project is also gathering data on tube recycling to help improve recycling rates.

Looking forward

In 2024, ahead of our 2025 recycle-ready commitment, we will continue to replace multi-layer laminates with more recycle-ready mono-materials across our packaging formats, without compromising on safety, quality, regulatory compliance, or shelf life.

Sourcing trusted ingredients sustainably

We build our consumers' trust when we select and source ingredients that they feel good about using.

Overview

We are working to sustainably source the key ingredients we use in our products, helping to protect the environment, biodiversity, and ecosystems we source them from and support the communities who farm and harvest them. The loss of the Earth's forests remains of great concern and represents a clear and urgent challenge in two respects: The UN Environment Programme (UNEP) estimates that half of global GDP is dependent on nature.¹ In addition, tropical primary forest loss in 2021 resulted in carbon dioxide emissions equivalent to India's annual fossil fuel emissions.² Our Sustainable and Deforestation-Free Sourcing of Materials policy position describes the standards we set ourselves, and our Working with Responsible Third Parties policy position and Supplier ESG Expectations outline (see page 56 for more details) the expectations that we have of the third parties we work with.

Our main focus is on our key agricultural, forestry and marine-derived materials. We prioritised these based on their use in our product portfolio and inherent risks in their supply chains. Our key materials account for approximately 85% of the total volume of naturally derived materials which we use in our products and packaging, as a proportion of globally managed spend. We focus on continuously improving the sustainable sourcing policies, traceability and transparency of these key material supply chains.

For our key material supply chains, we use recognised global certification programmes wherever possible, for example, Roundtable on Sustainable Palm Oil Mass-Balance (RSPO MB) and ISCC certification for our palm oil derivatives, and Forest Stewardship Council (FSC) and Programme for the Endorsement of Forest Certification (PEFC) certification for our paper packaging materials. For our remaining palm oil volumes that are purchased with globally managed spend and which we are not currently able to certify, we purchase 'credits' directly from RSPO-certified producers, creating a market for palm oil grown by certified smallholders and incentivising ongoing investments in sustainable production. We do not include volumes covered under these 'credits' in our percentage of sustainably sourced palm oil calculation. Where these are not available, we are working with independent experts to define clear standards and processes for sustainable sourcing based on the specific issues and opportunities for each material.

Of the seven globally traded commodities that are driving the majority of global deforestation, there are three (palm, soy and paper) that Haleon uses in the manufacture and packaging of our products: oleochemicals and glycerines, derived from palm oil and soy, and paper-based packaging materials. The annual volumes of palm, paper and soy that Haleon uses are low in comparison to total production volumes. Nevertheless, we take our responsibility to

address our impacts seriously and have put in place several measures to address risk in these commodity supply chains.

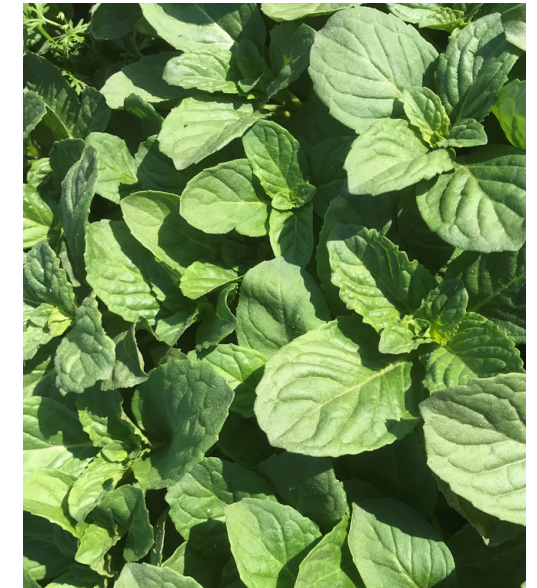
As we source materials derived from nature to manufacture and package our products, we recognise that Haleon has impacts and dependencies on nature across our value chain. Signalling our alignment with the mission and principles of the Taskforce for Nature-related Financial Disclosures (TNFD), Haleon is a member of the TNFD Forum and an inaugural TNFD Early Adopter and will begin to make TNFD-aligned disclosures in our 2025 reporting.

How sourcing trusted ingredients sustainably supports our strategy

Consumers increasingly expect brands to sustainably source product ingredients, particularly those sourced from areas facing particular environmental or social challenges. Our key customers also have goals in this area, with a number using sustainable sourcing certification as a criteria to qualify for high growth sustainable choices ranges. By using sustainably sourced ingredients, we can deliver on consumers' expectations and qualify our products for higher-growth sustainable choices ranges.

Measurement approach

The scope of our reporting covers globally-managed spend on key materials that are agricultural, forestry, or marine-derived. Globally managed spend covers the majority of our internal spend and expands across some of our third-party manufacturing network.



¹ Source: UNDP (2020)

² Source: World Resources Institute (2022)

Sourcing trusted ingredients sustainably

Our goal¹

We aim for all of our key agricultural, forest and marine-derived materials used in our ingredients and packaging to be sustainably sourced and deforestation-free by 2030.²

2023 performance

91%

Palm oil derivatives

48%

Paper-based packaging

51%

Mint oils and flavours

2022 performance

100%

Soy derivatives

77%

Corn and wheat derivatives

92%

Palm oil derivatives

Progress in 2023

In 2023, we established our Healthy Mint Supply Chain programme, which aims to uphold health and safety standards in mint farming, improve farmers' livelihoods, and support better health in mint growing communities, while reducing the environmental impact of mint production.

We also worked to bring reporting on soy derivatives, paper, corn and wheat derivatives, and mint into our reporting scope, building on our palm oil derivatives performance reported in 2022. The materials currently in the scope of our reporting account for >99% of the

key agricultural, forest, and marine-derived materials we buy by volume.⁴ Over the next reporting period, we plan to significantly improve our percentage of sustainably sourced paper-based packaging, with an aim to achieve more than 70%⁴ in the 2024 reporting period. While we aim to uphold strong performance on palm oil derivatives, this measure declined by 1% in the 2023 reporting period due to purchasing greater volumes of a derivative that was not yet certified. We have now secured certified volumes of this material and plan to increase our performance on this metric in the 2024 reporting period.

¹ 2023 reporting period = 1 July 2022 to 30 June 2023. 2022 reporting period = 1 July 2021 to 30 June 2022.

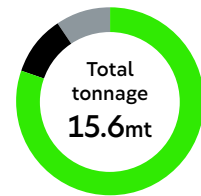
For further information on our reporting criteria see Haleon 2023 Responsible Business Basis of Reporting.

² Scope includes Haleon's globally managed spend on key materials that are agricultural, forest, or marine-derived. Globally managed spend covers the majority of our internal spend and expands across some of our third-party manufacturing network.

³ Purchased as palm oil or kernel oil-based derivatives and fractions. 2023 reporting period = 1 July 2022 to 30 June 2023. Relates to percentages of materials bought with Haleon's globally managed spend only.

⁴ Relates to percentages of materials bought with Haleon's globally managed spend only.

Certified palm oil volumes - 2023 performance³



● RSPO mass balance

80%

● ISCC certified

11%

● RSPO IS (independent smallholder) credit

9%

Included in our definition of sustainably sourced palm oil derivatives

Industry collaboration to tackle supply chain challenges for palm oil and its derivatives

Haleon is a member of Action for Sustainable Derivatives (ASD), a collaborative initiative that brings together companies in the cosmetics, home, personal care, and oleochemicals industries to collectively tackle supply chain issues regarding palm oil and palm kernel oil derivatives. Our membership is supporting our aim to improve traceability and transparency in our palm oil derivatives supply chain, while also monitoring risks, engaging the sector, and supporting on-the-ground programmes.

Membership has helped us to improve the transparency of our palm oil supply chain by mapping 98% of volumes to refineries, 97% to mills and 76% to plantations in 2022.⁴

We have also worked with ASD to develop a robust process to validate deforestation and/or conversion-free (DCF) volumes of palm oil derivatives and reported 54% of our 2022 volumes as DCF.⁴

We are also supporting two impact projects in Indonesia through ASD. Through the ASD Impact Fund, we are supporting Kaleka's Mosaik Initiative, which aims to empower local communities through economic development and trained 614 farmers in 2023 to help gain RSPO certification. We also support the ASD Respect in Palm project, led by BSR, which aims to build equitable relationships and attitudes among women and men in global supply chains.

Looking forward

During 2024, we will focus on increasing the percentage of currently reported materials that are sustainably sourced and bringing the remaining key materials (cod liver oil, carrageenan, and nicotine) into the reporting scope.

Integrating water stewardship and waste circularity

We are focused on better water management and less waste in our operations.

Overview

Water used in our operations is a local resource shared with the communities in which we operate. As a member of the Alliance for Water Stewardship (AWS), we aim to ensure our management of water is environmentally sustainable and socially equitable through AWS certification of our manufacturing sites. AWS is a global membership collaboration comprising businesses, NGOs, and the public sector, with members adopting and promoting a universal framework (the AWS standard) for the sustainable use of water. We are also signatories of the CEO Water Mandate, an initiative that mobilises business leaders on water, sanitation, and the Sustainable Development Goals.

We focus our water neutrality efforts on our Haleon manufacturing sites located in water-stressed areas, responding to the local risk and opportunities, and involving local stakeholders in our approach. As part of our water stewardship approach and water neutrality efforts, we will prioritise projects that aim to restore the function of ecosystems and achieve additional benefits including those to biodiversity and to people's health.

In addition, we are working to embed circular economy principles to address waste in our own operations. We want to move our manufacturing waste towards greater circularity by certifying our sites using the TRUE (Total Resource Use and Efficiency) certification system, which seeks to change the way materials flow through society so that they are reused and recycled.

How integrating water stewardship and waste circularity supports our strategy

Concern for water availability and quality is high among consumers, reflecting that water is a shared and precious natural resource, with the impacts of a robust and good quality water supply (or lack thereof) felt at an individual level. For both waste and water, it is important that Haleon operates with responsible management programmes in place to protect the local environment where we operate as well as to comply with local regulations and permit requirements.

Our goals

We aim to:

- Achieve TRUE certification at all our manufacturing sites by 2030.
- Achieve AWS standard certification at all our manufacturing sites by 2025.
- Achieve water neutrality at our manufacturing sites in water-stressed basins¹ by 2030.

Progress in 2023

In 2023, we focused on building the capabilities of individuals at our manufacturing sites in water stewardship, aligned to the AWS Standard, and waste circularity, aligned to the TRUE waste certification. We provided site Environment, Health & Safety and Engineering professionals with access to water stewardship and TRUE adviser training to build capabilities, embed the principles of these standards, and enable each site to create and execute its own specific plans to achieve certification against them.

We achieved our first water-neutral site and first site recommended for AWS certification in Cape Town, South Africa. We have observed the positive impacts of the water stewardship training as manufacturing sites have gained a greater understanding of their water balance, allowing them to identify and resolve leaks and inefficiencies more quickly. Haleon's total water withdrawal was 2.18 million m^{3a} in the 2023 reporting period², a decrease from 2.22 million m³ in full-year 2022.

Looking forward

During 2024, we will continue to progress AWS and TRUE certifications at our manufacturing sites, aiming to certify many of our sites against the AWS standard and beginning the pre-certification process for TRUE at many sites.



Image credit: WWF South Africa

Haleon's first water-neutral site

Water replenishment projects are vital to South Africa - which faces a 17% gap between levels of water supply and demand by 2030³. In 2022, we began working with the World Wide Fund for Nature (WWF) South Africa to support water replenishment activities in the Western Cape, including water neutrality efforts for our site in Cape Town. The project has been focused on removing non-native plants from the local water catchment area and establishing a community-run nursery growing native plants to benefit the local ecosystem.

In 2023, the site achieved both water neutrality and was recommended for AWS standard certification. Local employees were also able to get involved through our Haleon Helps volunteering programme and spent a day volunteering to help clear invasive species.

¹ Determined using publicly available tools to identify water risk, such as the WRI Aqueduct Tool, site-specific reviews of local water risk using local data, and materiality of the risk to the business.

² 2023 reporting period = 1 December 2022 to 30 November 2023.

³ Source: 2030 Water Resources Group (2022).

^a KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK) 3000, over the selected data indicated. See page 6 for further information.

Upholding our standards

What we do matters. So does how we do it.
We have a responsibility to uphold the
standards that we have set.

78%

of employees feel that Haleon
fulfils its core cultural objectives

44.9%*

of leadership roles
held by women

Upholding our standards fact sheet

Further information on the reporting criteria for selected data points can be found within the corresponding sections of this report and in the [Haleon 2023 Responsible Business Basis of Reporting](#).

	2023	2022
Our aims		
Achieve gender parity (48-52%) in leadership roles globally by 2030 ¹	44.9%*	43.7%
Other upholding our standards measures		
Number of Board members ¹	11	11
Number of Independent Non-Executive Directors ¹	6	6
Number of Women on Board ¹	5	5
Fatalities - Employees ²	0*	0
Fatalities - Contractors ²	0*	0
Lost Time Reportable Injury and Illness rate (per 100,000 hours worked) ²	0.10 [^]	0.10
Reportable Injury and Illness rate (per 100,000 hours worked) ²	0.14*	0.17
Health authority inspections of our manufacturing sites	98	75
% satisfactory health authority inspections of our manufacturing sites	100%	100%

Employee gender representation¹

	Male		Women		Other		Non-disclosed	
	2023	2022	2023	2022	2023	2022	2023	2022
Board	6	6	5	5	-	-	-	-
Executive Team	8	8	7	6	-	-	-	-
Executive Team direct reports	51	59	48	52	-	-	-	-
Senior managers	908	990	739	770	-	-	5	6
All employees	13,516	12,802	11,768	11,587	5	9	119	224

¹ Reported as of 31 December each year.

² 2022 Reporting period = has been restated to calendar year: 1 January 2022 to 31 December 2022, rather than 1 December 2021 to 30 November 2022 as detailed in last year's ESG Databook.

* KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK) 3000, over the selected data indicated, which has been extracted from Haleon's 2023 Annual Report and Form 20-F. See page 6 for further information.

[^] KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK) 3000, over the selected data indicated. See page 6 for further information.

Codes, policies and policy positions

- >> [Code of conduct](#)
- >> [Code of Promotion](#)
- >> [Supplier Code of Conduct](#)
- >> [Anti-bribery and Corruption Policy](#)
- >> [Environment, Health, Safety, and Wellbeing Policy](#)
- >> [Human Rights Policy](#)
- >> [Product Quality & Safety Policy](#)
- >> [Responsible Marketing Policy](#)
- >> [Diversity, Equity and Inclusion Policy Position](#)
- >> [Our Approach to Clinical Trials Policy Position](#)
- >> [Product and Ingredient Safety Policy Position](#)
- >> [Trusted Ingredients, Sustainably Sourced Policy Position](#)
- >> [Use of Animals in Research Policy Position](#)
- >> [Working with Responsible Third Parties Policy Position](#)

Disclosures

- >> [Human rights reports](#)
- >> [Gender pay gap reports](#)
- >> [Additional performance data can be found in our 2023 ESG Databook](#)

Upholding our standards

Our purpose:

To deliver better everyday health with humanity.

Our core value:

Seeking to always do the right thing

Our key behaviours:

- Go beyond
- Do what matters most
- Keep it human

Our leadership standards:

- Drive growth
- Deeply understand our consumers and customers
- Build “One Haleon”
- Motivate and unleash potential

Overview

We have standards and policies in place to ensure we uphold the highest business ethics, including consumer and pharmacovigilance policies and processes. We are committed to transparency, integrity, consumer satisfaction, safety and compliance with all relevant laws and regulations. Our products undergo extensive quality testing and controls. In addition, we make information about our products readily available and have communication channels and consumer relations teams in place to manage reports of adverse reactions.

Fostering a positive, purpose-led work culture continues to be reinforced through our core value, key behaviours and leadership standards. We have people policies that aim to provide equal opportunities, create an inclusive culture and support our purpose, strategy and long-term success. Our initiatives and policies reflect relevant employment law, as well as the provisions of the Universal Declaration of Human Rights and International Labour Organization (ILO) Declaration on Fundamental Principles and Rights at Work.

Measuring our culture

Measuring and tracking our culture is crucial to ensuring we deliver our purpose and strategy, and that we remain a trusted company. We have a range of indicators including consumer, customer and supplier feedback forums (see page 12), as well as the following examples:



- Completion rates of annual mandatory Code of Conduct and anti-bribery and corruption training (page 38).
- Speak Up channels available for employees and members of the public (page 39).
- Health and safety performance across our operations and facilities (page 43).
- Regular conversations and year-end reviews with employees (page 47).

This section of the report provides further details on how we put our policies into action with an aim to build and maintain a positive, purpose-led work culture.

Our annual employee survey 2023 results showed 78% of employees felt both that Haleon fulfils its core engagement values and that Haleon fulfils its core cultural objectives. Areas of notable strength include our customer focus, commitment to the environment, society, and business ethics, whereas there are opportunities to continue to focus on simplifying our work processes and how we collaborate.

Further information on our culture and measurements can be found in our [Annual Report and Form 20-F 2023](#).

Business ethics

We are committed to being a trusted company, with high standards of business conduct.

Overview

Ethical business conduct is the responsibility of everyone working for and on behalf of Haleon. It is the foundation for building trust in our Company and protects our licence to operate. Our standards and the actions we take to embed them – such as policies, guidance, and training for our employees and business partners – help us deliver on our commitment.

How ethics and compliance support our strategy

A commitment to acting with honesty, transparency, and integrity in all our business dealings and upholding all relevant laws and regulations is fundamental to running a responsible business and integral to our strategy.

Management approach

The Board receives regular reports on aspects of culture and ethics, including reports and trends regarding allegations received via our Speak Up channels, and is responsible for overseeing effective, ethical governance.

Speak Up channels are monitored daily and new cases are assessed promptly by the Incident Classification group, which is comprised of members of the Global Investigation, HR, Compliance and Legal teams. Stakeholders from teams including Forensics are brought in where necessary to advise on specific concerns.

Code of Conduct

Our Code of Conduct (Code), approved by the Board, underpins our culture and behaviours and promotes ethical business conduct.

Available in 17 languages, it is based on 19 principles that span our consumers and industry, Company and employees. It includes a mixture of written standards, a decision tree to help inform making the right choices, and guidance on when to ask for advice. Our Code applies to everyone at Haleon, across every location, and in every role and level of seniority. Our suppliers, distributors, agents, consultants, and contractors are also subject to many of the principles of our Code.

All alleged violations of our Code are taken very seriously. We conduct formal investigations where appropriate and have an end-to-end concerns management process, which ensures that where issues are substantiated, we carry out appropriate disciplinary action, up to and including dismissal. It could also include financial clawback, for significant misconduct.

Anti-bribery and Corruption Policy

We have zero tolerance for all forms of corruption. Our Anti-bribery and Corruption (ABAC) Policy sets global principles, standards, and requirements for our Company. The policy applies to any person who performs services for or on behalf of Haleon, including (but not limited to) all employees and third-party temporary workers.

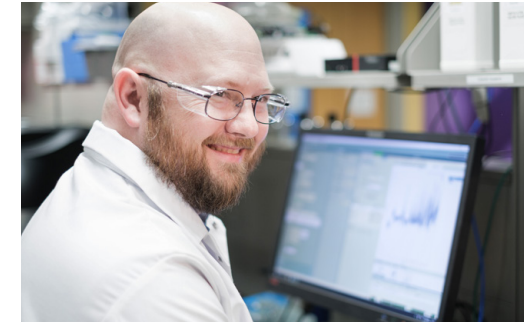
Where there is a difference between any of the requirements outlined in our Code and/or ABAC policy and local laws or regulations, the higher requirements must be met.

All existing employees and third-party temporary workers are required to complete mandatory annual e-learning training on the Code and ABAC Policy, as are all new starters as part of their onboarding. Completion rates, including confirmation that employees have read and understood the Code, are recorded and reported to the Executive Team. In 2023, the recorded completion rate by employees and third-party temporary workers for training on both the Code and ABAC Policy was 98%¹. Implications of failing to complete the mandatory training in a timely manner can include restricting the employee's access to their Haleon email account.

Data privacy and information security

We have an obligation to secure personal data and protect the privacy of our consumers, experts, and employees. We are committed to the responsible use, storage and protection of all data, including personal data, and comply with all applicable laws. Haleon complies with all relevant reporting and notification obligations in the event of a qualifying personal data incident.

Haleon's Privacy Team is responsible for maintaining our global privacy governance framework, including the creation and maintenance of all privacy compliance, consent, and transparency processes, privacy training and individual rights management. The team is led by the Chief Privacy Officer and, in applicable jurisdictions, Haleon has appointed a separate Data Protection Officer to fulfil relevant legal duties.



Mandatory policies govern the acceptable use of Haleon data and the systems on which it is processed. We maintain a global retention policy and data retention schedule to guide us on when to delete information. Our processes are subject to periodic and customary audits and verification, and we run risk assessments on key third-party suppliers, with additional due diligence assessments completed for those of higher risk. Violations of documented requirements are subject to a full range of enforcement measures, up to and including contract termination.

Further information on our approach to data privacy, including privacy notices and contact information, can be found on [Haleon's Privacy Centre](#).

For details on our approach to cyber-security, including risk management, see our [Annual Report and Form 20-F 2023](#).

¹ Non-completion due to leavers during the period.

Business ethics

Discrimination and harassment

Our Human Resources policies are specific to each country or region, but all make clear that we do not tolerate any action or behaviour that is unwelcome, unreasonable, or offensive to others. Any form of harassment, including sexual harassment or bullying, is unacceptable. Where concerns are identified and substantiated, appropriate corrective or disciplinary action will be taken.

Haleon is committed to the principles and practices of equal opportunities in employment. We do not tolerate any kind of discriminatory behaviour based on race, colour, language, caste, nationality or social origin, indigenous status, religion, disability, gender identity, marital status, sex, sexual orientation, union membership, political opinion, pregnancy, veteran status, age, or any other characteristics protected by law. We continue to review processes and practices to strengthen our inclusive recruitment and employment approach.

In December 2023, we launched a Respectful Workplace training module, which is focused on preventing harassment and retaliation. Global roll-out to all employees is expected to commence in Q1 2024.

Trade unions and collective bargaining agreements

We are committed to providing a collaborative work environment with direct communication between management, employees, and, where employees have chosen to organise within an appropriate framework, their representatives. As of 31 December 2023, 40% of Haleon employees were represented by an independent trade union or were covered by a collective bargaining agreement.

Speak Up

Haleon encourages anyone, whether working for Haleon or not, to 'speak up' about alleged misconduct, possible breaches of our Code or other Company policies or procedures, or suspected violations of laws and regulations.

All reported concerns are taken seriously and handled in accordance with our investigatory principles:

- **Humanity:** involved parties are treated with respect and dignity, with investigations being conducted as expeditiously as possible.
- **Confidentiality:** all concerns raised are treated in strict confidence. Reporters have the option to remain anonymous and details will only be shared on a need-to-know basis, to protect the integrity and independence of investigations.
- **Proportionality:** the extent of the investigation will be proportionate to the allegation.
- **Non-retaliation:** we operate a zero-tolerance policy towards behaviour which could be perceived as retaliation or harassment of any whistleblower who raises concerns in good faith.

In our annual employee engagement survey in 2023, 80% of our employees agreed with the statement that they could "report unethical practices without fear of reprisal".

In 2023, 1,100 new cases, including concerns¹ raised via our Speak Up channels,² were logged in our case management system. This number includes matters which did not require any further investigation. The highest number of cases involved employee conduct and employee relations, driven in large part by the business restructuring programme initiated in 2023.

Of the closed cases in 2023, 280 were substantiated³ and, where applicable, necessary disciplinary measures or targeted interventions were implemented. Over 50% of substantiated cases involved employee conduct and employee relations. We endeavour to conduct investigations of concerns raised in a proportionate and timely manner and in 2023 the average length of investigations globally was 70 days⁴. Following appropriate investigations, 985 cases were closed during the year⁵.

Looking forward

By increasing the use of data insights, we will aim to leverage best practice and facilitate the proactive identification of emerging trends and compliance risk. We will drive continual improvement, seeking to ensure that our compliance programme keeps pace with regulatory expectations.

We will continue to embed our managers' leadership and ownership of our ethical culture, through reinforcement from our Executive Team and effective training.

Step up and Speak Up.

Employees and members of the public can access and raise any concerns via several Speak Up channels:

Telephone

+44 800 026 1960 (UK)
+1 8337371358 (US)

Telephone numbers for additional countries are available via the [web portal](#)

[Web portal](#) (available in 35 languages).

Email: Haleon.SpeakUp@Haleon.com

Mail: Haleon Speak Up, Haleon plc, First Floor, Building 5 The Heights, Weybridge, Surrey KT13 0NY United Kingdom

¹ We report the number of concerns raised at a case level. Each case may contain several concerns.

² Speak Up channels include cases raised via the official Speak Up channels, as well as cases raised by different channels including to a line manager, local management or the HR team.

³ Closed cases may include those which have been opened in a prior year. Substantiated = where a concern within a case has been confirmed.

⁴ This indicator is measured from the time a case is created to the point the investigation is concluded. The average of 70 days applies to cases opened and closed during 2023.

⁵ The number of cases closed includes those which may have been opened in a prior year but which were closed in the 2023 financial year.

Product quality and safety

Our priority is to deliver safe products when, where and how our consumers want and need them.

Overview

We want our customers and consumers to trust our products, which is why our teams work hard to bring new, high-quality, safe products to market quickly and efficiently.

Our product quality and safety systems subject the manufacturer of each product to strict controls that aim to ensure consumers, customers and regulators trust our products.

Each product is developed with care and within the parameters of local and regional regulatory frameworks. We have extensive controls in place, designed to evaluate benefits and risks and to identify potential concerns about ingredients in every product we develop.

We participate in industry associations to gain insights and learnings, aiming to positively impact our internal operating environment and the quality and safety of our products.

How product quality and safety support our strategy

Our approach and success as a global consumer health company is underpinned by our understanding of the evolving science of ingredients. The quality and safety of our portfolio is fundamental to our business strategy and business growth. To deliver products that are safe and trusted is fundamental to our purpose to deliver better everyday health with humanity.

Management approach

We adopt a holistic approach to monitoring the quality and safety of our products including strong governance, a detailed Quality System, focused product development, and training.

Governance

Quality & Supply Chain (QSC) councils are established at every site and business unit and their responsibilities include process and performance monitoring. These councils feed into the Global QSC Quality Council, which is sponsored by the Chief Supply Chain Officer and chaired by the Head of Quality and meets three times a year. The councils' responsibilities include monitoring performance and any operational risks, endorsement and support of strategic plans, and continuous improvement. The Global QSC Quality Council reports to the Haleon Executive Team Quality Council, which meets once a year and is chaired by the Chief Supply Chain Officer.

The Haleon Safety Board meets (at a minimum) four times a year. It is chaired by the Chief Medical Officer and includes the Chief R&D Officer and senior Haleon physicians and scientists. The Safety Board defines the product safety strategy, assesses whether the benefit outweighs the risk for Haleon products and key ingredients, and monitors compliance with Company policies, applicable laws, and regulations related to product safety. The Safety Board provides updates to the Haleon Executive Team and Board committees as required.

Haleon Quality System

The Haleon Quality System defines applicable standards for activities that span product life cycles and describes the governance process for enabling these standards to be consistently met across all business units and third-party manufacturers. Management at all levels has a role in making sure that applicable business functions are operating within the Haleon Quality System.

Product development

During product development, our scientists work to tailor products to meet local needs. Each product developed by our scientists is subject to rigorous research and testing that aims to ensure our products adhere to quality and safety standards and maintain a strong trust profile with consumers and customers. Research and testing include, but are not limited to, stability and in-use testing, sensory and consumer tests, and clinical studies.

As part of our Trusted Ingredients programme, we have cross-functional, dedicated resources across Haleon that provide expertise in informing our choices of active pharmaceutical ingredients and excipients or additives used in our products. In addition, controls are in place that are designed to evaluate benefits and emerging risks and to identify potential consumer concerns about ingredients used.

Whenever we introduce a new ingredient into our portfolio, we conduct an independent evidence-based review of the ingredient's safety. Potential safety risks identified can be escalated to the Haleon Safety Board as required for a benefit-risk analysis decision.

Our scientists conduct continuous monitoring of the ever-evolving evidence around ingredients, and we collaborate with industry peers, regulators, and healthcare providers to assess the safety and benefits of ingredients we use in our products.

Haleon Quality Management System Standards

Foundations

Continuous improvement and intelligence

Product safety

Study programmes

Regulatory management

Product development

Facilities, equipment and systems management

Product life cycle management

Production

Laboratories

Third party management

Storage and distribution

Incident management

Network management

Product quality and safety

Manufacturing

Every batch of raw materials, active pharmaceutical ingredients and packaging components is assessed by our suppliers and reassessed by Haleon on a set basis upon acceptance of the supplier certificate of analysis. Product quality control testing is largely conducted in-house by our internal manufacturing network. Our third-party manufacturers conduct product testing as part of their overall service.

Within Haleon's internal network of manufacturing sites, Good x Practices (GxP) audit programmes are conducted internally by GxP-trained auditors across quality, safety, and clinical functions to assess compliance with GxP legislation, including Good Manufacturing Practices, Good Distribution Practices, Good Pharmacovigilance Practices, Good Clinical Practice, and Good Laboratory Practice. These are performed to assess that quality systems are in place and in use to effectively manage the production of materials and products manufactured, tested, and distributed.

Third-party manufacturers, suppliers of product components and logistics service providers are required to enter into quality agreements with Haleon, which outline applicable quality and safety expectations and the responsibilities of each party that supplies our network.

All facilities, legal entities, third parties and processes under GxP legislation are subject to inspections by external independent bodies, including Health Authorities and the International Standards Organisation, which assure compliance with external standards and regulations, as well as certifications. Some of the external certifications include the US FDA (Food and Drug Administration),

MHRA (Medicines and Healthcare products Regulatory Agency), and ISO (International Organisation for Standardisation) certifications such as ISO 13485 medical devices, ISO 22716:2007 Cosmetics, and ISO 9001:2015 Quality Management System. Where required, improvement plans are put in place to help ensure our third parties maintain high-quality standards, as defined by Haleon. For identified non-conformances, a corrective and preventive action plan is implemented.

In-market controls and recall management

Following a product's launch into the market, the decision that a manufactured batch is compliant with market requirements and can be released is made by qualified quality professionals for every batch distributed.

The Haleon Quality System establishes quality control procedures throughout our supply chain and is used to provide assurance that raw materials, packaging components and finished products continue to meet specifications throughout each product's shelf-life.

Our colleagues continue to collect and evaluate relevant data to keep our understanding of a product's safety profile current for as long as it remains available. We collect intelligence from multiple external sources, anticipating and detecting insights to inform our approach and action plans to tackle potential quality and safety risks.

Material Safety Data Sheets (MSDS) are provided for Haleon products to allow Haleon customers to meet right-to-know requirements, safely handle Haleon products in their workspaces, and dispose of them properly.

Our dedicated Global Consumer Relations support team enables consumers and Health Professionals to contact us with questions or concerns they may have about our products. Our Consumer Safety team continually monitors reports about our products from consumers and Health Professionals, as well as published sources, which could relate to the safety of any of our products.

Our Quality and Consumer safety organisations both have standards in place that set out the procedures required to respond to a crisis promptly and effectively, including business continuity management plans during disruption. For the Quality organisation, this includes the roles, responsibilities, and procedures for performing a product recall or withdrawal from the market. Every manufacturing site and local entity that sells our product is required to test their product recall procedure annually to ensure the effectiveness of the process and system, and to highlight continuous improvement opportunities.

Our global Anti-Counterfeiting and Product Protection function's objective is to protect the health and safety of our consumers, our business assets and our reputation by preventing the manufacture and distribution of counterfeit Haleon products. The function coordinates anti-counterfeit reduction efforts and engages with teams across the business on a wide range of preventative and proactive measures. Preventative measures include supply chain integrity and border protection programmes. Proactive measures include online monitoring, investigations and effective legal enforcement, including civil and criminal actions. Based on the associated level of risk, additional features such as holographic labelling, RFID tagging, unique serialisation and tamper-evident labels may be added to certain products.

Training

All employees are responsible for the quality and safety of our products. Haleon Code of Conduct training includes details of policies on quality and on collecting information (such as human safety information, e.g. adverse event reports) from users of our products and Health Professionals.

All employees who perform product quality or product safety activities are trained according to the requirements of their role.

The employees involved in selecting product ingredients are trained to properly understand our approach to managing ingredient risks.

We expect all GxP third parties to proactively reinforce and refresh their knowledge of industry best practice and to have the appropriate GxP training standards in place. Every year, we provide additional training for targeted third parties in the form of guidance and improvement plans on topics such as contamination controls, data integrity or process capability.

Continuous improvement

Our Quality and Consumer Safety organisations drive continuous improvement of our processes and standards. This includes leveraging learnings from their monitoring of new scientific data and regulatory changes, as well as consumer feedback, to help ensure that our positions on the benefit-risk profiles of our products remain current and that products are manufactured in accordance with our quality standards, as well as applicable laws and regulations.

Product quality and safety

Progress in 2023

98 health authority inspections of our manufacturing sites, 100% of which were satisfactory.

3 external pharmacovigilance inspections of Haleon Canada, Costa Rica and Moldova with a 100% success rate¹.

17 successful audits of GxP standards conducted at our manufacturing sites and local market sites by our internal global audit team, reaffirming our licence to operate.

864 audits of our third-party supply and distribution network conducted against the requirements of our quality standards.

World Quality Week

We celebrated World Quality Week 2023 with the theme 'Quality: realising your competitive potential' by bringing employees together at events at multiple Haleon sites to emphasise the importance of product quality and our shared responsibility for it, and to highlight the competitive edge that product quality brings to Haleon. Activities included 'A day in the life of', where quality specialists shared details on the crucial roles they hold within our business, and how each area within the Quality and Supply Chain function and beyond has a role to play in supporting the quality of our products.

World Patient Safety Day

In September, we held a global TRuST (Taking Responsibility for Safety Together) event to coincide with the WHO World Patient Safety Day. The purpose of the event was to champion the importance of consumer safety in Haleon. There was a global live broadcast, which included external safety expert speakers from different industries, as well as multiple local site events promoting the key message that we are all guardians of safety across Haleon.

Looking forward

We will continue to improve our use of data and technology in the proactive management of product quality and safety risks and continually adapt our processes and systems to manage the complexity of consumer demand and the regulatory landscape.

To build resilience against potential ingredient issues that could impact consumer trust, we have developed our Sustainability Impact Assessment Tool (SIAT) to provide guidance and raise awareness of specific ingredients early in the new product development process and track performance through our Responsible Business Scorecards.



Capturing product quality complaints

It is imperative that consumers can quickly and easily raise and resolve questions or concerns they may have about our products. Haleon has therefore implemented a quick, proactive way of prioritising products that require intervention. To enable us to track concerns effectively, we measure Product Quality Complaints per Million Product Units sold (QCPM), as a vital consumer-related metric for Haleon.

The significance of QCPM lies in its role as a reflection of consumer concerns and experiences. QCPM encapsulates consumer grievances, underscoring our commitment

to product quality and simultaneously meeting our compliance requirements.

For business units, we set a QCPM performance target for 2023 and 2024. Accessible through our monitoring platform, it facilitates regular reporting at both the business unit and enterprise levels, leveraging data sourced from Product Quality Complaint cases, captured via our consumer relations management system, and sales units. This structured approach empowers our Quality teams to proactively manage and elevate our product quality standards to better serve our consumers.

¹ 100% success rate = Deemed compliant with health authority regulations.

Health and safety

Nothing is more human than keeping one another safe, healthy, and well.

Overview

Health and safety is at the heart of everything we do at Haleon. This is why we are dedicated to doing the right thing by enabling anyone who works for or on behalf of Haleon to go home healthy, safe, and well.

In 2022, we set out a three-year strategy to develop a zero-harm culture, including the priority of preventing serious injuries and fatalities against which we continue to benchmark our performance.

The strategy has three pillars:

1. Strengthen culture and capability

2. Prevent harm

3. Making it easier

Each of these pillars is supported by programmes and projects to drive continuous improvement.

How health and safety supports our strategy

Maintaining a strong safety and wellbeing culture, protects our people and gets them home safe and healthy each day. Supporting health and wellness for our workforce is pivotal to our company purpose. Enhancing worker productivity and performance by reducing preventable employee absence is a key part of running a responsible business and delivering on our commitment to strong execution.

Management approach

Haleon's global Environment, Health, Safety, and Wellbeing Policy is approved by our CEO and the Executive Team. The policy describes our commitment, requirements and responsibilities for the health, safety, and wellbeing of our employees, third-party temporary workers, contractors and visitors who work from (or visit) our sites and is reviewed every two years.

Environment, Health and Safety (EHS) risks are governed through a tiered governance structure. Site-level EHS council meetings are held monthly. Regional, Quality & Supply Chain and R&D councils meet quarterly to address significant risks that have been escalated by local EHS leaders. Risks with significant global corporate implications are in turn escalated to the Enterprise EHS Council, which includes members of the Executive Team and the Chief Executive Officer, and meets twice a year.

Dedicated health and safety experts have responsibility for identifying and managing risks associated with daily operations within each manufacturing site, R&D site, and commercial

business unit. Issues and risks are prioritised and escalated for visibility, support, and oversight.

We regularly review our performance and adjust our processes to enable continuous improvement, with key strategies and improvement initiatives introduced where applicable.

Haleon maintains a robust process for monitoring compliance against our policy and global standards, which are aligned with international standards and regulations. The scope of the policy and standards extends to all aspects of the EHS management system, which includes governance, EHS leadership expectations, risk assessments, self-inspection, monitoring, change management, training, and investigations.

In 2024, every manufacturing and R&D site will have to self-assess against each of our 46 global EHS and engineering standards to identify and prioritise corrective and preventative action plans to close gaps and improve performance. Our internal audit team audits and measures health and safety performance against our management system across our operations and facilities on a three-year frequency, and tracks corrective and preventative improvement actions and risk reductions through to closure. Our Enterprise Risk and Assurance team provides a further layer of protection, performing risk-based thematic audits.

We aim to operate with zero Serious Incidents or Fatalities (SIF) in the organisation and to reduce our RIIR (Reportable Injury and

Illness Rate) to achieve and maintain upper-quartile performance. As part of continuous improvement, we record and analyse potential Serious Incident and Fatality (pSIF) events to gain a deeper understanding of the amplifiers and control failures with the aim of preventing the reoccurrence of such an event.

Risk-based health and safety training is provided for our employees and third-party temporary workers regarding hazard identification and risk reduction in the workplace.

When engaging with contractors to work at our facilities we undertake a contractor selection process with a review of their EHS performance. Health and safety clauses are included in contractual requirements.

All contractors working at Haleon sites receive induction training and instruction on how to complete their work safely, as defined in our global EHS and Engineering Standard on the management of contractors and visitors, and we monitor contractor performance while on site.

Our EHS and Engineering Emergency Response Standard sets out our expectations and requirements in the event of an emergency, including external events such as natural disasters and off-site emergencies. It outlines how we deal with an emergency and re-establish controlled conditions. All sites have plans and periodically carry out emergency response exercises based on identified internal and external scenarios. Each exercise is reviewed to identify any actions required to strengthen the emergency response plans.

Health and safety

Progress in 2023

In 2023, our EHS performance improved over the previous year.

The Total Reportable Injury and Illness Rate (RIIR)¹ decreased to 0.14* in 2023 from 0.17 in 2022² per 100,000 hours worked. This equated to 67 events in 2023 vs 79 in 2022.

Of these incidents, the lost time reportable injury and illness rate¹ remained the same in 2023 as in 2022² at 0.10⁴ per 100,000 hours worked. This equated to 48 events in 2023 vs 49 in 2022.

Unfortunately, this year one serious incident occurred as defined in our Investigation and Reporting Standard. We have since introduced a laboratory safety improvement plan across all our sites to enhance controls for laboratory tasks. Consistent with 2022², there were no fatalities* for employees, third-party temporary workers or contractors in 2023.

We had 36⁴ potential Serious Incident or Fatalities (pSIF)⁴ in 2023 vs 73 in 2022². We regard these as learnings to prevent actual Serious Incidents or Fatalities (SIF). These incidents are investigated to ensure we identify root causes, amplifiers, and control failures. Corrective and preventative mitigation plans are then implemented.

Let's deliver better everyday health.

Safely.



Live our 12 Life Saving Rules



12 Life Saving Rules

We continue to reinforce our 12 Life Saving Rules. The Life Saving Rules are communicated to employees, third-party temporary workers and contractors by several communication methods including (for employees and third-party temporary workers) in our Code of Conduct training. The 12 Life Saving Rules detail the most significant EHS risks across Haleon. Aligned to industry standards and best practice, the rules establish key actions for awareness, prevention and mitigation and remind us of the measures we need to take to protect our own safety against potential critical hazards during work activities.

Leading with Care

The Leading with Care programme, introduced in 2022, is designed to build health, safety, and wellbeing leadership into a holistic education and training programme. Managers learn how to embed health, safety and wellbeing in our culture and daily employee experience and understand how they can positively impact the health, safety, and wellbeing of people through their behaviours, informed decisions, and actions.

The programme continued throughout 2023. Two areas of the programme which Senior Leaders have particularly championed in 2023 are Gembas (go out and see) and having meaningful conversations with employees. For a manufacturing site, this means that leaders spend more time on the floor with workers, observing tasks, speaking with staff to determine if there are gaps in existing safety procedures and engaging with the workers to address those gaps.

The programme reminds managers that by simply Leading with Care they create safe and healthy workspaces in which we can best display our key behaviours: keep it human, do what matters most and go beyond. This challenges the status quo and improves employee experience.

Over 1,000 leaders are in scope of the programme. In 2024, the programme will be maintained through additional training, communication, and targeted messages to reinforce key concepts.

Looking forward

We will continue our three-year strategy of maintaining a zero-harm culture, prioritising the prevention of serious incidents and fatalities, and continue to benchmark our performance. We will continue our focus on high-severity risk elimination and deliver hazard risk assessment training to raise awareness of what could cause harm in the workplace. This aims to enhance our formal risk assessment process.

We will continue to strengthen culture and capability through the deployment of our Leading with Care programme, including a series of bite-size training materials to continue the cultural drive across the business.

We will make it easier for all sites to assess themselves against our new suite of simplified EHS and engineering standards through our digitalisation strategy, which includes using our new electronic analysis tool.

¹ Scope = employees and third-party temporary workers.

² 2022 reporting period = has been restated to calendar year: 1 January 2022 to 31 December 2022, rather than 1 December 2021 to 30 November 2022 as detailed in last year's ESG Databook.

* KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK) 3000, over the selected data indicated, which has been extracted from Haleon's 2023 Annual Report and Form 20-F. See page 6 for further information.

⁴ KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK) 3000, over the selected data indicated. See page 6 for further information.

Supporting our employees' health and wellbeing

We are committed to delivering better everyday health with humanity for all our employees.

Overview

As a company with a purpose to deliver better everyday health with humanity, the health and wellbeing of our people is a priority. We are committed to shaping and setting standards that support every employee's health and wellbeing.

Focusing on creating a place where our people can be themselves and thrive, our approach is multi-faceted and holistic. We continue to reinforce our approach to building health and wellbeing practices into our culture and employee experience and support our employees to maximise their everyday health and wellbeing.

How supporting our people's health and wellbeing supports our strategy

Our people are central to our business strategy and key to our success as a company. We know that investing in creating the right environment at Haleon can drive productivity, increase employee engagement, boost creativity, attract and retain talent, reduce absenteeism, and decrease overall turnover.

Management approach

Our health and wellbeing initiatives are primarily overseen by two centres of excellence within our corporate HR function and are sponsored by our Chief Human Resources Officer. Additionally, under the sponsorship of our Chief Supply Chain Officer, we have in place a robust environmental health and safety (EHS) strategy, governance and processes that aims to address health and safety risks and maintain a strong health and safety culture (see page 43 for more detail).

We have set up an enterprise-wide 'Leading on Health' forum, consisting of subject matter experts, sponsored by our Chief Human Resources Officer, and chaired by our Global Head of Talent, which met three times in 2023. The purposes of the forum include tracking and monitoring progress, endorsing plans and investment, and providing alignment and approval on priorities.

We have also established a framework that connects our wellbeing policies, programmes, services, and initiatives to make it easier for employees to understand and access what is available to them and their families.

We have two progressive leave policies in place, our Global Caregiver Leave Policy and our market-leading Global Parental Leave Policy, which are designed to support the diversity of our employees, drive health inclusivity and support wellbeing needs that change as our employees progress through life.

Our Global Caregiver Leave Policy provides four weeks' fully paid leave for employees within a calendar year when they need to care for a loved one, providing them with support and security when they need it most.

Our Global Parental Leave Policy entitles all employees globally, regardless of gender or sexuality, to 26 weeks' fully paid leave following the arrival of a child. This policy covers biological birth, surrogacy, and adoption.

Progress in 2023

We continued to build upon a range of tools and initiatives to support our employees' health and wellbeing. Progress in 2023 against a number of initiatives included the following:

- 1,208 individuals have been supported with short-term psychological support by our free 24/7 confidential global Employee Assistance Programme (EAP), which is an emotional wellbeing service that supports employees and their dependents on aspects of their personal and professional lives. In addition, another 9,614 individuals have proactively invested in their health literacy by engaging proactively with this service.
- Over 700 individuals participated in our themed mindfulness training series, re-designed to encourage and build regular practice and better self-care.
- Over 100 individuals enrolled onto 'My Wellbeing' - a holistic energy management and resilience programme that equips participants with skills and tools to optimise their wellbeing.
- Over 2,839 individuals have engaged with themed webinars to help increase their knowledge and understanding of how to take care of their health and wellbeing across a range of topics.



Supporting our employees' health and wellbeing

We successfully ran an employee-led initiative for World Mental Health Day, seeking to challenge our employees across the globe to participate in any type of physical activity to help boost mental wellbeing. Over 1,400 employees in 39 markets completed the equivalent of over 65 days of physical activity. In some markets, such as the UK, our employees have access to Wellbeing apps to provide access to a wide range of wellbeing initiatives as well as gym discounts.

We now have dedicated New Parent rooms in 34% of our corporate offices. These are comfortable, private spaces designed to support new parents in the workplace.

Our new Bengaluru office has been awarded a Gold Accessibility rating by Mobility Mojo for offering a safe environment for employees with disabilities and neurodivergence.

Agile working

Implemented in 2022, where possible, employees are able to embrace our 'Hybrid at Haleon' philosophy, which enables employees to blend working from the office, home and other locations to nurture creativity and innovation, have greater focus and deepen relationships through social connectivity.

We believe in an agile working culture and recognise that there is no single approach that fits all. Where possible, and in agreement with their line manager, we support employees to explore flexible working opportunities appropriate to the individual and the role. Current working arrangements can include part-time working, home working, and flexible working hours.

In our annual employee engagement survey in 2023, the question 'I have the flexibility I need in my work schedule to meet both work and personal needs' scored 79% and the question 'I can manage job responsibilities in a way that enables healthy work-life balance' scored 75%.

Our 2023 workplace experience survey¹ suggested that employees value opportunities to collaborate with colleagues while working in a Haleon workspace and that employees make conscious decisions about where they work based on factors such as work tasks, scheduled meetings and commuting time.

Supporting employees through menopause

On World Menopause Day, to complement the Global Parental Leave and Global Caregivers Leave policies introduced the previous year, we shared our menopause statement with our employees. This sets out the support we offer to employees experiencing perimenopausal and menopausal symptoms that can impact all aspects of life. Our support includes adaptations to working patterns and/or environment, provision of support through our Employee Resource Groups and EAP, educational resources for all, including leaders and line managers, and an additional commitment to review our medical plans and other offerings to enhance menopause support.



Supporting our employees with caregiver leave

In 2023, 357 employees made use of our Global Caregivers Leave Policy including Vicky, a primary caregiver for her mum, who said:

"It's tough balancing a full-time job, a family and caring responsibilities. Haleon's new Global Caregivers Leave Policy meant I was

able to spend valuable time with my mum, including visiting her grandchildren and great-grandchildren together. My mum and I made new memories and revisited old ones on our trip which I will cherish for years to come. Just knowing we have this benefit available means so much to me, thank you."

Looking forward

We will be reviewing and refreshing our preventative health programme: Partnership for Prevention (P4P). Offered to our employees and their eligible dependents at little to no cost, it provides access to a core set of preventive healthcare services. We will continue to update our services offered, making sure all services are evidence-based and that future programmes are closely aligned with our Company purpose, culture, and strategy.

We will also be launching a new occupational health and wellbeing standard to improve governance and oversight of such services globally.

We will continue to benchmark and review our global and local employee benefits offerings as we strive to offer a competitive benefits package that aims to set the industry standard on health and wellbeing for our employees globally.

¹ 2023 workplace experience survey was conducted in Haleon's top 20 markets.

Building a high-performing workforce

We are committed to developing a high-performing workforce to meet our strategic and long-term ambitions.

Overview

We want our people and our business to succeed in the long term. We are continuing to evolve our employee experience to align with our ambitions across every stage of the employee life cycle.

Development and learning at Haleon has three objectives, enabling employees to:

- Develop strategically important capabilities.
- Have an opportunity to reach their full potential.
- Help employees stay safe and compliant within our regulatory environment.

Mechanisms we are adopting to achieve these include: a global learning suite, paired with technical curriculums, which offer a growing choice of opportunities for people to stretch, grow and learn, including 1-2-1 coaching available to all employees; mentoring relationships; apprenticeships (where available); and a leadership development programme aiming to drive the culture we want to create. We have also developed a new approach to recognise and rewarding performance.

How building a high-performing workforce supports our strategy

Our employees are fundamental to our wider business strategy and success. We seek to grow our company, disrupt our markets, and fulfil our purpose, sustainably and in the right way. To do so in a competitive hiring environment, and a fast, agile consumer-driven market, we need to provide an attractive organisational culture, employee value proposition and supportive work environment to attract, retain and reward talent.

During 2023, we embarked on a three-year productivity programme to transition into an organisation focused on efficiency and agility, to enable us to deliver our purpose and strategy. This has resulted in structural changes and employee severances, which we have aimed to handle sensitively and in compliance with all applicable laws and regulations.

Management approach

Our People strategy defines how we: attract industry-leading talent, create an environment where everyone can be themselves and reach their potential in service of our purpose, drive performance, and optimise our working environments.

We review our progress and impact regularly; Dame Vivienne Cox, a member of the Haleon Board, is our Workforce Engagement Director and meets with groups of employees at least once a quarter. The insight gained is combined with the results of our annual employee engagement survey and used to guide strategic decisions.

Learning and development

Our learning initiatives are governed via the Haleon Learning Council, sponsored by the Global Head of Talent, and chaired by the Head of Learning and Development. The purpose of this council includes providing guidance on enterprise-wide learning decisions, priorities, and investment with the aim of ensuring successful implementation and delivery of our learning initiatives. Alongside the Diversity, Equity & Inclusion Council and the Leading

on Health Forum, these three groups aim to ensure central change and direction is adopted globally and we realise our ambition to build a “One Haleon” culture. We identify strategic capability needs through employee listening and feedback, strategic analysis, and external trends. These inform our internal learning and development offers and where we invest in external capability-building programmes. We offer a suite of tools from programmatic learning to self-led options to help our people get the most out of their careers at Haleon. Every employee has access to our internal development portal with its extensive development courses, videos, and articles on a range of topics from coaching and wellbeing to commercial acumen, enterprise-thinking, how to simplify processes and data-led decisions, among others.

Measuring and rewarding performance

Employees set three measurable objectives each year that detail the specific projects and initiatives they aim to deliver to support our business strategy. Regular conversations, at least quarterly, review employee performance against those objectives, recognise progress and seek to maintain our delivery at pace. These conversations help employees reflect on their contribution to Haleon and align with their manager on the support they need to perform at their best.

Managers give feedback on ‘What’ an individual team member has delivered in terms of their agreed objectives, focusing on outcomes as well as ‘How’ they have made an impact.

Our annual bonus plan is designed to reward and recognise both in-year business performance and individual contributions to company success. Individuals are accountable for their performance and can influence their reward. The approach is

designed to reinforce our strategy and business priorities and to incentivise the delivery of our growth ambitions by linking individual bonus outcomes to performance. Managers hold calibration sessions to enable us to measure performance in a consistent way across teams and business units.

Talent acquisition

The enterprise-level Talent Acquisition team comprises our talent acquisition professionals, supported by a Talent Acquisition Centre of Excellence, which provides tools, processes, and technologies to enable the team to continually improve the hiring experience. The Talent Acquisition team uses key metrics to monitor performance and drive excellence across the function. These metrics are aligned with Haleon’s operating and strategic ambitions and include time, cost, diversity, and quality.



Building a high-performing workforce

Progress in 2023

Learning and development

We undertook a strategic review of global learning content that resulted in the launch of a suite of new learning content and tools and the removal of excess learning and outdated learning items from our systems.

We also launched or continued the roll-out of several new and unique learning opportunities including:

- A Mini MBA on Deeper Human Understanding.
- LEAD - a new programme for developing people management skills for first-line leaders.
- GROW - a new programme designed to equip our enterprise leaders to grow the business.
- Accelerate - a programme to develop and grow diverse talent for the future.
- Three Micro Master programmes in the Quality & Supply Chain division: Principles of Manufacturing, Supply Chain Management and Statistics & Data Science.
- The Haleon Diploma for Digital Transformation for R&D, accredited by University College London School of Management.

Measuring and rewarding performance

2023 was the first full year of our new approach to measuring and recognising performance, which was defined in 2022. Enhancements included:

- Making it easier for people to set bold, measurable objectives that deliver results.
- A focus on personal development objectives.
- Encouraging more frequent performance conversations and feedback (at least quarterly).
- Measuring both what people deliver and how they deliver it.
- Simplifying our processes, with the focus on more meaningful conversations and ongoing development.
- Empowering managers to make decisions about performance.

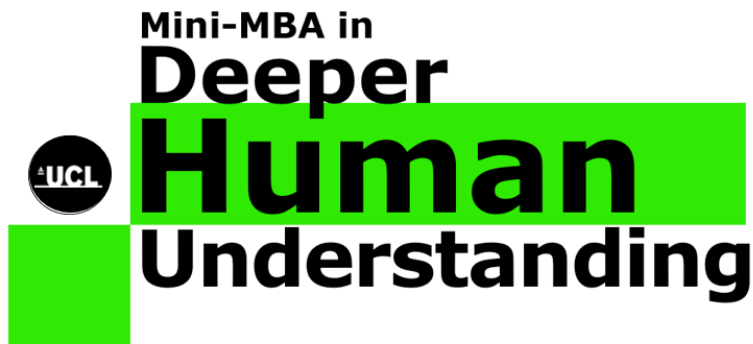
Initial feedback is positive, but we will formally review our teams' experience of the new approach via a survey in early in 2024.

Talent Acquisition

During 2023, we began work to strengthen our recruitment approach, supporting our aim of attracting leading talent, increasing a diverse employee base and providing opportunities for career and skills development to help retain our existing talent. New hires were made in roles and locations strategically important to business success and we made incremental improvements in key performance areas.



Building a high-performing workforce



A mini-MBA on Deeper Human Understanding

Endorsed by University College London School of Management, Haleon launched a fully certified, virtual, free-of-charge mini-MBA on Deeper Human Understanding in December 2022, which is now available globally to all our employees.

The mini-MBA contains nine modules focused on market research techniques covering topics such as insights, storytelling, semiotics, macro trends and consumer closeness. After studying the modules, the learner writes a 2,500-word case study, detailing how they can use their knowledge and skills acquired to drive positive change within their function. The learner gains an externally recognised qualification on completion.

This is an inclusive learning opportunity for all Haleon employees to fuel their understanding of our consumers. Deeper Human Understanding is a critical enabler for Haleon to deliver products and services that consumers truly want and need and is a source of competitive advantage.

6% of the organisation signed up in 2023 and 75 employees graduated.

Our global leadership development programme

Launched in June 2023, LEAD is Haleon's new global leadership development programme targeting first-line leaders. LEAD provides a clear and consistent understanding of what is expected of a Haleon people leader so that they can be bold, drive curiosity, be a role model for 'One Haleon', and unleash the potential of their teams to drive our performance and support achieving our growth strategy.

The programme balances foundational people manager capabilities that underpin our purpose-led, consumer-focused, performance-driven culture, with critical mindsets and everyday habits that are aligned with the Haleon Leadership Standards and are key to driving future sustainable growth.

The LEAD programme consists of five core modules delivered through a combination of facilitated workshops and coaching circles, either virtually or in-person (for our site-based leadership population). In 2023, 505 leaders (17% of our target population of first-line leaders) enrolled in the programme. To date, the programme has achieved an average evaluation score of 4.34/5, indicating it has been positively received.

Haleon China was recognised as a 2023 Top Employer by the Top Employers Institute. The certification recognises excellence in people practices and is based on six key HR themes: steer, shape, attract, develop, engage, and unite.

Looking forward

We will further simplify our global learning ecosystem while building and launching new learning and development opportunities and continue to embed and optimise our new performance approach by building leadership skills and helping employees connect their personal objectives with Haleon's strategy.

We are also updating our performance approach to clarify how we use 360° and 180° feedback alongside our current performance tools.

We will continue to focus on the optimisation of our hiring processes and experiences for candidates and stakeholders.

Championing diversity, equity & inclusion

We aim to create a truly inclusive environment where everyone can feel a sense of belonging and can bring their whole, authentic selves to work, every day.

Overview

We are committed to creating a diverse, inclusive and respectful workplace. To date, we have focused on building the foundations of our Diversity, Equity & Inclusion strategy. As we continue to evolve and mature as a company, we will concentrate on embedding, creating value, and sustaining our approach towards diversity, equity & inclusion at Haleon.

Our Diversity, Equity & Inclusion strategy is an essential foundation of our commitment that all our employees will be treated equally, and harassment and discrimination will not be tolerated.

It is focused on delivering against three strategic objectives:

1. Employee belonging: workplace inclusion - Creating a work environment that is inclusive and accessible, where all employees feel they belong, are valued, and have the tools to thrive.

2. Diverse representation: workforce diversity - Attract, recruit, promote and retain the best talent that reflects a diverse workforce at all levels and areas of the business.

3. Societal change: community impact - Leveraging our expertise to enable health inclusivity through our collaborations, brands, and research.

How diversity, equity & inclusion support our strategy

Creating a diverse, inclusive, and respectful workplace is key to delivering our purpose. We strongly believe in the power of diversity as a source of competitive advantage. By leveraging our diversity, we are better equipped to: develop new ideas; innovate; understand our markets, stakeholders, and consumers; and enable our successful and competitive workforce to drive long-term business success.

Management approach

We have an enterprise-level Diversity, Equity & Inclusion Council, which is sponsored by the Chief Human Resource Officer, and chaired by the Global Head of Talent. The Council meets quarterly to discuss priorities, drive accountability, and initiate, fund and oversee the implementation of our global diversity, equity & inclusion activities.

We track progress against our strategy, which enables us to identify areas of improvement. Our responsible business scorecard (see page 10) enables the ongoing tracking of progress to support the delivery of our 'gender parity in leadership roles' goal.

Our Diversity, Equity & Inclusion policy position applies to all employees and third-party temporary workers.



Employee Resource Groups (ERGs)

In 2023, our four global level ERGs successfully delivered 10 flagship events, which included celebrating PRIDE month and International Women's Day. An estimated 2000 participants attended across the events. Over 150 local ERG events also took place in 2023.

Our Women@Haleon ERG has made steady progress in fostering inclusion and driving engagement on women's careers and interests at Haleon during 2023.

The ERGs help to provide a supportive and inclusive community for employees who identify with these commonalities and have been instrumental in providing a different perspective through storytelling initiatives.

Our goal¹

Achieve gender parity (48-52%) in leadership roles² globally by 2030

2023 performance

44.9%*

of leadership roles held by women

2022 performance

43.7%

of leadership roles held by women

¹ Reported as of 31 December each year.

² Leadership roles = Employees within our global compensation grades 0-5. These roles include members of the Executive Team, their direct reports (excluding administration support), heads of department and other upper management.

* KPMG LLP has issued independent limited assurance, using assurance standard ISAE(UK)3000, over the selected data indicated, which have been extracted from Haleon's 2023 Annual Report and Form 20-F. See page 6 for further information.

Championing diversity, equity & inclusion

Progress in 2023

We made progress on a number of initiatives, including:

Recruiting from diverse talent pools and channels

Our focus has been on creating a clear Diversity, Equity & Inclusion and Talent Acquisition strategy, including identifying opportunities to remove bias from our hiring process. We are piloting an Athlete Career Transition programme in the UK and US to support the attraction and hiring of diverse talent.

Embedding inclusion and diversity in talent management frameworks and processes

We launched our first-line leaders development programme (LEAD), which includes the development of diversity, equity and inclusion capabilities, including how we address unconscious bias. In addition, we launched our diverse talent programme (Accelerate) designed to advance the career progression and leadership potential of high-performing diverse individuals. We have five cohorts set up for 2024.

Using data and analytics to strengthen our recruitment practices

Our HR Actionable Insights and Data dashboard provides an ecosystem for HR data. We have developed a diversity dashboard to capture insights around gender diversity. This allows key stakeholders to track progress and proactively communicate findings and recommendations for our 14 business units in countries where it is legally permitted.

Fair pay

Haleon conducts an annual Fair Pay Review for employees in the UK and the US. Our goal is to ensure our employees are paid fairly for the work they do. In 2022, we became a UK Living Wage Foundation accredited employer.

Gender pay gap reporting

We report annually on our gender pay gap in markets where we have a legal requirement to do so.

Looking forward

We acknowledge that Diversity, Equity & Inclusion is an area for continual improvement. Our focus for 2024 and beyond will be to continue to embed and add Diversity, Equity & Inclusion initiatives throughout the organisation. This will include further strengthening our diversity data and ensuring Diversity, Equity & Inclusion is fully integrated into our culture, behaviour, and processes.



Our supplier diversity programmes

We have a US Supplier Diversity programme and in 2023 12% of our US third-party discretionary spend was with diverse-owned businesses. We have recently also launched supplier diversity programmes in the UK, Canada, Australia, and South Africa.

By awarding new business and increasing spend with diverse suppliers, the programme aims to create opportunities for traditionally underrepresented or underserved groups, thereby supporting the communities we serve. It also supports us in driving innovation by providing diverse perspectives and ideas.

In 2023, Haleon was the Pitch Training Workshop sponsor of Minority Supplier Development UK's (MSDUK) Innovation Challenge, which invites Ethnic Minority Businesses (EMBs) in the UK to pitch their innovative business solutions to a global network of multinational corporations, procurement professionals, supplier diversity

advocates and other EMBs. The MSDUK Innovation Challenge provides meaningful benefits and prizes, including a £20,000 cash prize and 1-2-1 corporate mentoring for the overall winner, as well as cash prizes of £2,500 for category winners.

Haleon hosted a half-day pitch training session for the 12 shortlisted finalists. The training session was delivered by Haleon Procurement team members and a pitching expert. The finalists were provided with feedback and guidance on their presentations, empowering them with effective strategies to elevate their pitches and ensuring that they were fully prepared to captivate the audience and showcase their business at the Innovation Challenge Finals.

The overall winner was Bloomful - an AI-driven triage solution that helps women to access better care for their gynaecological health - founded by CEO Dr Dupe Burgess.

Respecting human rights

Embedding strong ethical business behaviours including respecting human rights across our value chain is fundamental.

Overview

We seek to always do the right thing and take responsibility to respect and promote human rights wherever we do business.

Our human rights strategy is built on three pillars:

1. Internal capacity building

2. Strengthening due diligence

3. Investing in collaborations

We are committed to upholding the Universal Declaration of Human Rights and the core labour standards set out by the International Labour Organisation (ILO). We seek to align our human rights policies and procedures with international conventions and guidelines, such as the UN Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-Operation and Development's (OECD) Guidelines for Multinational Enterprises.

How respecting human rights supports our strategy

Human rights are the basic rights and freedoms that belong to everyone, regardless of who they are or where they live. We seek to uphold those freedoms and tackle any issues that threaten human rights wherever we operate through the strong ethical behaviours that underpin our business strategy.

Management approach

Our Human Rights Policy sets out our commitment to respect human rights and the standards we expect our employees and third parties we work with to meet.

Our Chief Corporate Affairs Officer is the executive sponsor of our Human Rights programme. The Vice President of Sustainability chairs the Human Rights Steering Committee, which includes members of the Executive Team and meets at least twice a year. The Steering Committee provides oversight and approves and monitors the human rights strategy and action plan.

The Committee reviews progress against the action plan, any legislative developments, and potential human rights risks to the business. The Environmental and Social Sustainability Committee provides an additional level of oversight on human rights.

The cross-functional Human Rights Working Group, which meets quarterly, seeks to ensure the delivery of our strategy and action plan.

We expect our suppliers to adhere to internationally recognised standards and best practice on human rights. In 2023, we developed a new Supplier Code of Conduct, which is informed by the International Bill of Human Rights and the UN Guiding Principles on Business and Human Rights. For more information on the Supplier Code of Conduct see Working with responsible suppliers on page 54.

We continue to participate in several industry groups, supporting peer learning and the exchange of good practice. These include the UN Global Compact, the Pharmaceutical Supply Chain Initiative (PSCI) Human Rights Working Group, and AIM Progress, a forum of leading FMCG companies and common suppliers, assembled to enable and promote responsible sourcing practices and sustainable supply chains. AIM Progress is supported and sponsored by AIM (the European Brands Association).

Further information on our approach to respecting and promoting Human Rights can be found on the [Human Rights](#) section of our website.

Progress in 2023 Due diligence and risk assessments

We have sought to align our human rights due diligence approach to the UN Guiding Principles on Business and Human Rights (UNGPs) and the OECD Guidelines for Multinational Enterprises for Responsible Business Conduct.

Due diligence

As part of our strategy to strengthen due diligence across our supply chain, Haleon joined the ethical supply chain platform Sedex. All our 24 manufacturing sites have completed the self-assessment questionnaire (SAQ), allowing us greater visibility of our impact in the areas of labour rights, health and safety, environment, and business ethics. This has enabled us to identify and prioritise sites for onsite audits. To date, three of our own manufacturing sites have been selected for a four-pillar Sedex Members Ethical Trade Audit (SMETA).

Saliency assessment

In 2023, our Human Rights Working Group, supported by external consultants, began conducting the first saliency assessment of human rights risks in our value chain. Under the assessment, human rights risks are prioritised based on the severity of impact and likelihood of occurrence across our own operations, business relationships and supply chains. Identifying our most salient issues enables us to focus and prioritise our action plan on these topics. We will share the findings of our saliency assessment in due course.

Annual human rights risk assessment

In 2023, we conducted our annual human rights risk assessment to help us identify human rights risks and prioritise areas for action. The risk assessment applies to our entire value chain and includes a country and business activity risk assessment as well as internal stakeholder engagement.

Respecting human rights

Remediation

External labour provision

Our annual human rights risk assessments have identified external labour provision as high risk. In 2023, we commissioned subject matter experts to undertake a deep-dive assessment of labour provision at three of our own manufacturing sites located in Europe and Asia. These sites were selected based on the type of labour providers used at each site and their location in high-risk regions. This assessment identified certain areas for improvement relating to oversight of external labour provision, including the monitoring of working hours. In response to this, we have implemented a detailed action plan that includes more stringent screening of labour suppliers, increased due diligence in high-risk regions, and stronger contractual obligations for labour suppliers to adhere to. The plan also includes compliance with international best practice on responsible recruitment, ongoing monitoring of our own sites and third-party temporary workers and contractors, roll-out of specific guidance, and training on the responsible procurement of labour suppliers.

Raw material suppliers

One of the areas of our supply chain that faces greater potential human rights risks is our raw materials supply base.

Our Healthy Mint Supply Chain Programme, launched in 2023, is enabling us to engage with our mint supply chain by developing a variety of projects with our suppliers and NGOs, working with mint farming communities in Uttar Pradesh, India. We are aiming to uphold health and safety standards in mint farming, improve farmers' livelihoods, and support better health in mint farming communities, while reducing the environmental impact of mint production.

Via our membership of Action for Sustainable Derivatives (ASD), we support the ASD Respect in Palm programme, which includes interventions that seek to prevent and respond to gender-based violence and sexual harassment in palm oil concessions in Indonesia. The programme works with workers, supervisors, and management at palm concessions to promote more gender-equitable attitudes and relationships. Further information on our ASD membership can be found on page 33.

Further information on our approach to Human Rights due diligence and remediation can be found on the [Human Rights](#) section of our website.

Training and capacity building

In 2023, we developed and launched an e-learning module, available in 16 languages, for wider roll-out in 2024. The course introduces and enables participants to understand how their role supports Haleon's commitment to respect human rights. An accompanying facilitator's guide has been shared with our manufacturing sites for roll-out to workers without computer access.

We developed a human rights incident response and communications plan and ran workshops for employees from key business functions including Legal, Security and Investigations, and Employee Relations. The plan draws on the UN Guiding Principles on Business and Human rights, and through real-life scenarios the participants gained detailed knowledge of how to identify the human rights impact of an issue, how to determine the severity of a potential impact, and how to assess whether Haleon may have caused, contributed, or be linked to the impact. These skills enable the participants to take a rights-centred approach to managing incidents within the business.



Looking forward

Our work to better understand and manage human rights risks associated with external labour provision, which began in 2023, will continue as we implement our cross-functional action plan.

Based on the findings of our 2023 annual human rights risk assessment, we will confirm our areas of focus for deep-dive human rights assessments in 2024.

We will continue to build capabilities across the business and provide bespoke training to specific teams as required.

Working with responsible suppliers

We want to work with third parties who share our commitment to responsible business behaviours.

Overview

Haleon's supply chain is of significant scale. We have 24 Company-owned manufacturing sites and a network of third-party contract manufacturing sites across the world.

As of December 2023, we had approximately 16,000 third-party tier 1 suppliers¹, which included approximately 3,000 suppliers of goods and services directly related to the manufacturing of our products, such as raw materials and packaging, and approximately 13,000 suppliers of other ancillary goods and services such as consultancy, marketing, and logistics.

We work closely with our suppliers, supporting them to adopt the same high environmental, social, and ethical standards that we have set for ourselves. We only want to work with third parties who share our commitment to high standards and who operate responsibly. This includes compliance with all national laws and regulations and expected compliance with international conventions, including the International Labour Organisation (ILO) Declaration on Fundamental Principles and Rights at Work, the UN Universal Declaration of Human Rights and the 10 principles of the UN Global Compact covering human rights, the environment and anti-corruption.

How working with responsible suppliers supports our strategy

Our supply chain is vital to our continued business success and delivery of our wider

business strategy. Working to ensure suppliers are aligned with our high environmental, social, and ethical standards can support the long-term viability of working with these suppliers and contribute to our commercial success.

Management approach

The Global Procurement Leadership Team (GPLT) has established a new Third-Party Risk Management Governance group, which is sponsored by the Chief Procurement Officer. Led by the Director of Performance & Delivery Indirect Procurement, and meeting monthly from March 2024, the purpose of this governance group includes overseeing and monitoring risks associated with our third-party suppliers, including non-compliance with our Supplier Code of Conduct and risks identified through our Third Party Risk Management (TPRM) process. A quarterly report of any risks identified will be generated and escalated to the GPLT as required.

Compliance programme

To understand if suppliers operate responsibly and in line with our expectations, the following steps are implemented:

Step 1: Routine risk management

Our Third Party Risk Management Programme (TPRM) is the process we use to identify and assess risk from third parties. This starts with a desktop assessment to screen new suppliers and assess existing suppliers on a three-year cycle based on environmental, social and governance risks as well as others such

as bribery, cyber-security and privacy. The assessment also considers country-specific, sector-specific, and commodity-specific risks associated with the supplier and the goods and services they provide to Haleon.

Step 2: In-depth due diligence for high-risk activity

Where TPRM or our routine risk management processes highlight a potentially high-risk supplier, including in relation to ESG risks, we conduct targeted, in-depth due diligence. We use a combination of tools, which includes the use of EcoVadis, Sedex and Pharmaceutical Supply Chain Initiative (PSCI) audits. For example, due to their high-risk nature, this year we conducted 25 audits against the PSCI principles on our highest-risk active pharmaceutical ingredient suppliers and third-party manufacturers and used the PSCI platform to assess available audit reports for an additional four suppliers. Where suppliers do not meet our minimum requirements, they are subject to a corrective action plan and a reassessment will be activated 12 months after the original assessment.

Sustainable sourcing programmes

Our suppliers play a significant role in the delivery of our ESG programmes, in particular, the delivery of our environmental strategy and goals. For further information on how we are working with our suppliers to support this delivery, please see the Environment section of this report on page 21.

Progress in 2023

In 2023, we launched our Supplier Code of Conduct, available in nine languages, which supports our commitment to maintain high environmental, social, and ethical standards. This outlines the minimum standards that must be met by a third party on issues such as child labour, wages and remuneration, and environmental responsibility, to supply products or services to Haleon. The Supplier Code of Conduct requires each supplier to comply with its provisions and ensure that its workers and subcontractors are aware of the Supplier Code and comply with provisions that are relevant to them. We include a requirement to comply with the Supplier Code of Conduct in our contracts with suppliers.

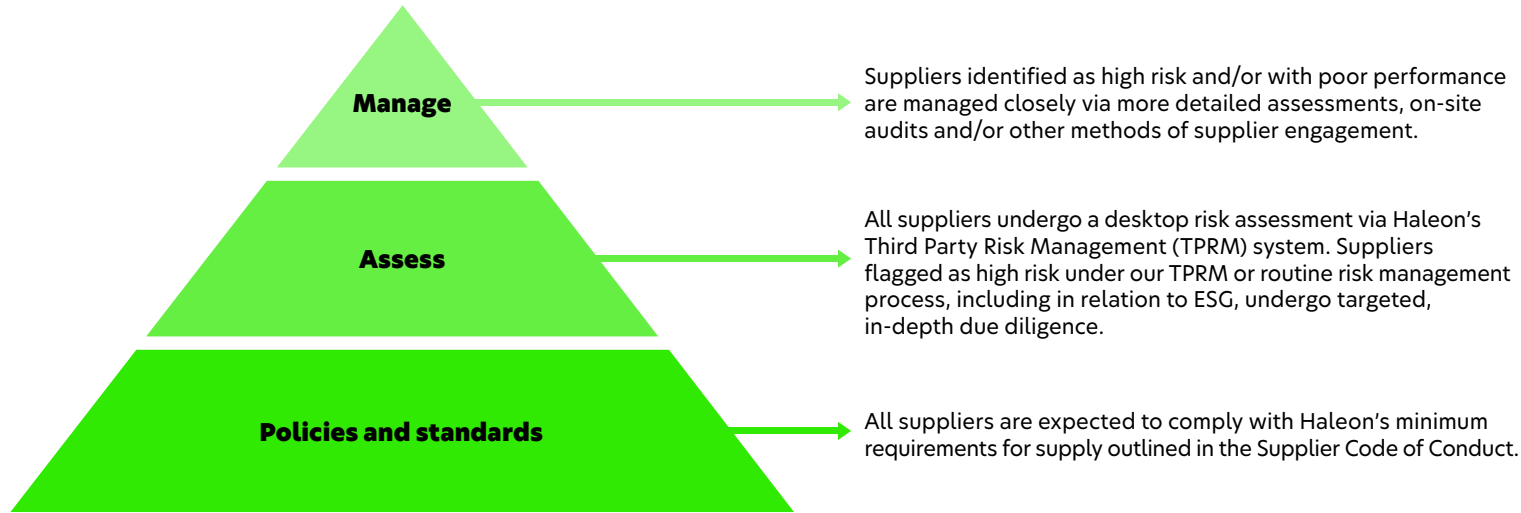
We also launched our Supplier ESG Expectations, which outline the ESG targets that we have set for our suppliers.

As outlined on page 52, Haleon joined the ethical supply chain platform hosted by Sedex in 2023. Our network of third-party manufacturers are now moving onto the platform.

¹ Tier 1 suppliers means suppliers of goods, materials, or services directly to Haleon. Supplier companies within the same group are treated as a single supplier.

Working with responsible suppliers

Our compliance programme



Looking forward

We will strengthen our third-party risk assessment programme by rolling out our Sedex and associated audits to our tier 1 suppliers and carry out Sedex Members Ethical Trade Audits (SMETA) at selected supplier sites based on their Sedex self-assessment questionnaire result.

Following the roll-out of our Supplier ESG Expectations, we will further support our suppliers in meeting these expectations and will start to factor suppliers' sustainability performance into our sourcing decisions. This will be a key step in ensuring we are working with responsible suppliers that are dedicated to reducing their impact on the environment.

Supplier ESG expectations

Our Supplier ESG Expectations outline the ESG targets that we want our suppliers to meet, which include switching to renewable electricity and requiring raw materials to be covered by industry-recognised certifications where possible, such as Roundtable on Sustainable Palm Oil certification (RSPO) for palm oil derivatives.

These targets aim to help suppliers drive their own sustainability agenda while supporting our goals of aiming to reduce our Scope 3 carbon emissions from source to sale by 42% by 2030 vs a 2022 baseline¹ and aiming for

all our key agricultural, forest and marine-derived materials used in our ingredients and packaging to be sustainably sourced and deforestation-free by 2030.²

To help our suppliers meet these expectations, we held our first supplier sustainability event where we invited our key raw material and packaging suppliers to a live webinar where we shared our expectations and provided guidance and support on how to meet them. Internal and external subject matter experts provided advice and step-by-step guides on key topics such as water and carbon reduction,

human rights, and sustainable sourcing. Suppliers fed back that the event was useful in clearly explaining the targets that we want them to reach and why.

In 2024, we will further support our suppliers in meeting these expectations. This will include an event to share recommendations on renewable energy supply. This event will aim to help our suppliers reduce their Scope 1 and 2 emissions and share these learnings with their own supply base.

¹ Our Scope 3 carbon emissions target spans all carbon emission categories from source to sale (excluding GHG protocol categories 6, 7, 10-15). It covers mandatory Scope 3 upstream and downstream emissions. It excludes indirect consumer use-phase emissions, such as emissions associated with water used with our products.

² Scope includes Haleon's globally managed spend on key materials that are agricultural, forest, or marine-derived. Globally managed spend covers the majority of our internal spend and expands across some of our third-party manufacturing network.

Responsible marketing

At Haleon, we seek to use our voice to make a positive difference in people's lives.

Overview

We aim to promote and empower people to look after their everyday health, providing insight and information to enable them to understand how they can take better care of themselves and those they care for.

Many people and communities continue to be marginalised and face barriers to accessing better everyday health¹. Our brands champion inclusive, sustainable, and achievable healthcare to help millions of people be more included in opportunities for better everyday health.

Our responsible marketing strategy is driven by our purpose to deliver better everyday health with humanity and on our core value of seeking to always do the right thing, to inform our marketing communications and activity.

Marketing activities can play an influential role in shaping cultural norms, and we know we can play a key role in making a positive impact. We are committed to creating, marketing, and selling our products and services responsibly.

How responsible marketing supports our strategy

Deep human understanding is at the core of our business model, helping us to innovate to meet unmet and underserved needs and create meaningful and distinctive brands.

Responsible marketing practices – such as honest and transparent marketing communications and providing clear and

accurate descriptions of our products and services – are some of the essential ways we seek to build trust with our consumers, customers, and Health Professionals.

Management approach

We have developed our Responsible Marketing Policy and principles to set global minimum standards for all our commercial communications and marketing activities across all channels.

The policy and principles describe how our purpose, our core value, Code of Conduct and behaviours inform our marketing communications and activity. The policy applies to all marketing communications, branding, public relations, communications, and advertising on behalf of Haleon and its brands and services. We will also highlight these principles to our colleagues and partners who work with us or on our behalf.

We are committed to the effective adoption of the Responsible Marketing Policy and completion of the associated training will be mandatory in 2024 for all employees working within our marketing teams and monitored via our Global Capabilities Tool (myLearning).

Progress in 2023

In 2023, we continued to support multiple marketing initiatives that align with our commitment to empowering self-care and health inclusivity. Initiatives included: the Advil Pain Equity Project in the US, which aims to raise awareness of unconscious bias in healthcare against Black Americans; the Theraflu 'Right to Rest & Recover' campaign and fund, which offers families microgrants that help offset the lost wages that come from taking an unpaid sick day; and the Haleon Health Partner portal.

The portal provides Health Professionals with up-to-date health information on key topics to support their patients in improving their health literacy, helping people be better informed and equipped to take care of their and their loved ones' everyday health.

We continued to grow our collaboration with diverse media partners, aiming to promote inclusivity and foster innovation. We utilise tools to measure the representation of our advertising messages to enable non-biased portrayals of women, men, and older adults, as well as the inclusion of diverse populations.

To ensure our products and packaging become accessible to more people we have developed an inclusive design approach. This informs our innovation process and future pipelines. We have launched an Inclusive Design training programme to roll out this approach.

Looking forward

We are committed to accelerating our responsible marketing agenda to continue building trust with our consumers while contributing positively to society and the environment. Through embedding our Responsible Marketing Policy we seek to empower our marketers with clear direction and guidelines in which to operate.

Building responsible marketing capabilities

Training in responsible marketing is crucial for our marketers to uphold our commitment to deliver better everyday health with humanity. Reaching millions of people responsibly demands clear and high standards to be met in our marketing communications.

Our Responsible Marketing Policy training will engage over 1,700 marketers worldwide, equipping them to put our responsible marketing commitments into action. Marketers will be required to confirm their understanding of the policy's aims and guidelines to make our advertising and other marketing activities transparent, inclusive, and environmentally and socially responsible.

Furthermore, we've launched an ongoing Responsible Marketing learning programme starting in February 2024. This programme covers accessibility requirements for our creative assets (including closed captioning, alternative text and audio descriptions), and Inclusive Design fundamentals for our products, packaging, and experiences.

Both initiatives mark an essential step to enable Haleon's continued delivery of better everyday health with humanity.

¹ Source: Economist Impact (2023).

Appendix

Global Reporting Initiative (GRI)

Our 2023 responsible business reporting has been prepared with reference to the GRI Universal Standards.

The table below provides an overview of the relevant GRI Standards to Haleon and where to find information regarding them in this report or other Haleon reports and disclosures. By presenting this mapping, we aim to improve transparency and streamline stakeholders' access to pertinent information.

GRI standard	Disclosure	Location in reporting suite	Notes
GRI 2: General disclosures 2021			
The organisation and its reporting practices			
2-1	Organisational details	Refer to the note 1 under financial statements in the 2023 Annual Report and Form 20-F for official name of the entity, nature of ownership, legal form and headquarters address. Page 121. Refer to the 'Where we operate' section of our website.	
2-2	Entities included in the organisation's sustainability reporting	Refer to the 2023 Annual Report and Form 20-F. Refer to the 'Haleon 2023 Responsible Business Basis of Reporting'.	
2-3	Reporting period, frequency and contact point	Refer to 'Our approach to reporting' of this report. Page 6. Refer to 'note 1' under financial statements in the 2023 Annual Report and Form 20-F for our financial reporting period. Page 121.	
2-4	Restatements of information	Restatements of information are detailed where relevant for specific data points included in this report, our 2023 Annual Report and Form 20-F and Haleon 2023 ESG Databook.	
2-5	External assurance	Refer to the 'Audit and Risk Committee' report of the 2023 Annual Report and Form 20-F. Page 72. Refer to the 'Our approach to reporting' section of this report. Page 6.	
Activities and workers			
2-6	Activities, value chain and other business relationships	Refer to the 'Our strategy' section of the 2023 Annual Report and Form 20-F. Page 12. Refer to the 'Our business model' section of the 2023 Annual Report and Form 20-F. Page 8.	
2-7	Employees	Refer to the 'Haleon 2023 ESG Databook' available on our website.	
Governance			
2-9	Governance structure and composition	Refer to the 'Corporate governance' section of the 2023 Annual Report and Form 20-F. Page 61. Refer to the 'Responsible business governance' section of this report. Page 9.	
2-10	Nomination and selection of the highest governance body	Refer to the 'Nominations and Governance Committee report' section of the 2023 Annual Report and Form 20-F. Page 78.	
2-11	Chair of the highest governance body	Refer to the 'Governance structure' section of the 2023 Annual Report and Form 20-F. Page 67.	
2-12	Role of the highest governance body in overseeing the management of impacts	Refer to the 'Corporate governance' section of the 2023 Annual Report and Form 20-F. Page 61. Refer to the 'Responsible business governance' section of this report. Page 9.	

GRI standard	Disclosure	Location in reporting suite	Notes
2-13	Delegation of responsibility for managing impacts	Refer to the 'Corporate governance' section of the 2023 Annual Report and Form 20-F. Page 61. Refer to the 'Responsible business governance' section of this report. Page 9.	
2-14	Role of the highest governance body in sustainability reporting	Refer to the 'Responsible business governance' section of this report. Page 9.	
2-15	Conflicts of interest	Refer to the 'Conflicts of Interest Policy' under Codes, Policies and Standards on our website.	
2-16	Communication of critical concerns	Refer to the 'Corporate governance' section of the 2023 Annual Report and Form 20-F. Page 61. Refer to the 'Business ethics' section of this report. Page 38.	
2-17	Collective knowledge of the highest governance body	Refer to the 'Corporate governance' section of the 2023 Annual Report and Form 20-F. Page 61.	
2-18	Evaluation of the performance of the highest governance body	Refer to the 'Board effectiveness' section of the 2023 Annual Report and Form 20-F. Page 71.	
2-19	Remuneration policies	Refer to the 'Director's remuneration report' of the 2023 Annual Report and Form 20-F. Page 80.	
2-20	Process to determine remuneration	Refer to the 'Director's remuneration report' of the 2023 Annual Report and Form 20-F. Page 80.	
2-21	Annual total compensation ratio	Refer to the 'Director's remuneration report' of the 2023 Annual Report and Form 20-F. Page 80.	
Strategy, policies, and practices			
2-22	Statement on sustainable development strategy	Refer to the 'Introduction from our CEO' section of this report. Page 3. Refer to the 'Our Responsible Business strategy' section of this report. Page 8.	
2-23	Policy commitments	Refer to the 'Codes, policies and standards' and 'Our policy positions' on our website.	
2-24	Embedding policy commitments	Refer to the 'Responsible business governance' and 'Health inclusivity', 'Environment' and 'Upholding our standards' sections of this report. Page 9, 13, 21, 35.	
2-25	Processes to remediate negative impacts	Refer to the 'Business ethics' section of this report. Page 38. Refer to the 'Human Rights' section of our website.	
2-26	Mechanisms for seeking advice and raising concerns	Refer to the 'Business ethics' section of this report. Page 38.	
Stakeholder engagement			
2-29	Approach to stakeholder engagement	Refer to the 'Stakeholder engagement' section of this report. Page 12.	
2-30	Collective bargaining agreements	Refer to the 'Business ethics' section of this report. Page 38.	
GRI 3: Material topics 2021			
3-1	Process to determine material topics	Refer to the 'ESG materiality' section of this report. Page 11.	
3-2	List of material topics	Refer to the 'ESG materiality' section of this report. Page 1.	
3-3	Management of material topics	Refer to the 'Health inclusivity', 'Environment' and 'Upholding our standards' sections of this report. Page 9, 13, 21, 35.	

GRI standard	Disclosure	Location in reporting suite	Notes
GRI 201: Economic performance			
201-1	Direct economic value generated and distributed	Refer to the 'Consolidated financial Statements' section of the 2023 Annual Report and Form 20-F. Page 97.	
201-2	Financial implications and other risks and opportunities due to climate change	Refer to the 'Task Force on Climate-related Financial Disclosures' section of the 2022 Annual Report and Form 20-F. Page 24.	
GRI 203: Indirect economic impacts			
203-1	Infrastructure investments and services supported	Refer to the 'Health inclusivity' section of this report. Page 13. Refer to the 'Building healthier communities' section of this report. Page 20. Refer to the 'Tackling carbon emissions' section of this report. Page 24. Refer to the 'Integrating water stewardship and waste circularity' section of this report. Page 34.	
203-2	Significant indirect economic impacts	Refer to the 'Health inclusivity' section of this report. Page 13. Refer to the 'Tackling carbon emissions' section of this report. Page 24. Refer to the 'Integrating water stewardship and waste circularity' section of this report. Page 34. Refer to the 'Respecting human rights' section of this report. Page 52.	
GRI 205: Anti-corruption			
205-2	Communication and training about anti-corruption policies and procedures	Refer to the 'Business ethics' section of this report. Page 38.	
GRI 207: Tax			
207-1	Approach to tax	Refer to the '2023 Tax Strategy' under Codes, Policies and Standards on our website.	
207-2	Tax governance, control, and risk management	Refer to the '2023 Tax Strategy' under Codes, Policies and Standards on our website.	
207-3	Stakeholder engagement and management of concerns related to tax	Refer to the '2023 Tax Strategy' under Codes, Policies and Standards on our website.	
GRI 301: Materials			
301-1	Materials used by weight or volume	Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 20.	
GRI 302: Energy			
302-1	Energy consumption within the organisation	Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 14, 15.	
302-2	Energy consumption outside of the organisation	Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 14, 15.	
302-3	Energy intensity	Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 14, 15.	
302-4	Reduction of energy consumption	Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 14, 15.	

GRI standard	Disclosure	Location in reporting suite	Notes
GRI 303: Waste and effluents			
303-1	Interactions with water as a shared resource	Refer to the 'Integrating water stewardship and waste circularity' section of this report. Page 34.	
303-2	Management of water discharge-related impacts	Refer to the 'Integrating water stewardship and waste circularity' section of this report. Page 34.	
303-3	Water withdrawal	Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 21.	
304: Biodiversity			
304-3	Habitats protected or restored	Refer to the 'Integrating water stewardship and waste circularity'. Page 34. Refer to the 'Sourcing trusted ingredients sustainably'. Page 32.	
GRI 305: Emissions			
305-1	Direct (Scope 1) GHG emissions	Refer to the 'Tackling carbon emissions' section of this report. Page 24. Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 16.	
305-2	Energy indirect (Scope 2) GHG emissions	Refer to the 'Tackling carbon emissions' section of this report. Page 24. Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 16.	
305-3	Other indirect (Scope 3) GHG emissions	Refer to the 'Tackling carbon emissions' section of this report. Page 24. Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 17.	
305-4	GHG emissions intensity	Refer to the 'Tackling carbon emissions' section of this report. Page 24. Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 16.	
305-5	Reduction of GHG emissions	Refer to the 'Tackling carbon emissions' section of this report. Page 24. Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 16.	
305-6	Emissions of ozone-depleting substances (ODS)	Refer to the 'Tackling carbon emissions' section of this report. Page 24. Refer to 'Haleon 2023 ESG Databook' available on our website. Page 18.	
305-7	Nitrogen oxides (NOx), sulphur oxides (SOx), and other significant air emissions	Refer to 'Haleon 2023 ESG Databook' available on our website. Page 19.	
GRI 306: Waste			
306-1	Waste generation and significant waste-related impacts	Refer to the 'Integrating water stewardship and waste circularity' section of this report. Page 34.	
306-2	Management of significant waste-related impacts	Refer to the 'Integrating water stewardship and waste circularity' section of this report. Page 34.	

GRI standard	Disclosure	Location in reporting suite	Notes
GRI 401: Employment			
401-1	New employee hires and employee turnover	Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 7, 8.	
401-3	Parental leave	Refer to the 'Supporting our employees' health and wellbeing' section of this report. Page 45.	
GRI 403: Occupational health and safety			
403-1	Occupational health and safety management system	Refer to the 'Health & safety' section of this report. Page 43. Refer to the 'Environment, Health, Safety and Wellbeing Policy' under Codes, Policies and Standards on our website.	
403-2	Hazard identification, risk assessment, and incident investigation	Refer to the 'Health and safety' section of this report. Page 43. Refer to the 'Environment, Health, Safety and Wellbeing Policy' under Codes, Policies and Standards on our website.	
403-3	Occupational health services	Refer to the 'Health and safety' section of this report. Page 43. Refer to the 'Environment, Health, Safety and Wellbeing Policy' under Codes, Policies and Standards on our website.	
403-4	Worker participation, consultation, and communication on occupational health and safety	Refer to the 'Health and safety' section of this report. Page 43. Refer to the 'Environment, Health, Safety and Wellbeing Policy' under Codes, Policies and Standards on our website.	
403-5	Worker training on occupational health and safety	Refer to the 'Health and safety' section of this report. Page 43. Refer to the 'Environment, Health, Safety and Wellbeing Policy' under Codes, Policies and Standards on our website.	
403-6	Promotion of worker health	Refer to the 'Health and safety' section of this report. Page 43. Refer to the 'Environment, Health, Safety and Wellbeing Policy' under Codes, Policies and Standards on our website.	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Refer to the 'Health and safety' section of this report. Page 43. Refer to the 'Environment, Health, Safety and Wellbeing Policy' under Codes, Policies and Standards on our website.	
403-8	Workers covered by an occupational health and safety management system	Refer to the 'Health and safety' section of this report. Page 43. Refer to the 'Environment, Health, Safety and Wellbeing Policy' under Codes, Policies and Standards on our website.	
403-9	Work-related injuries	Refer to the 'Health and safety' section of this report. Page 43. Refer to 'Haleon 2023 ESG Databook' available on our website. Page 11.	
403-10	Work-related ill health	Refer to the 'Health and safety' section of this report. Page 43. Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 11.	
GRI 404: Training and education			
404-1	Average hours of training a year for each employee	Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 9.	
404-2	Programmes for upgrading employee skills and transition assistance	Refer to the 'Building a high performing workforce' section of this report. Page 47.	
404-3	Percentage of employees receiving regular performance and career development reviews	Refer to the 'Building a high-performing workforce' section of this report. Page 47.	

GRI standard	Disclosure	Location in reporting suite	Notes
GRI 405: Diversity and equal opportunity			
405-1	Diversity of governance bodies and employees	Refer to the 'Corporate governance' section in the 2023 Annual Report and Form 20-F. Page 61. Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 3, 4.	
405-2	Ratio of basic salary and remuneration of women to men	Refer to the 'Gender pay gap' section of our website.	
GRI 408: Child labour			
408-1	Operations and suppliers at significant risk of incidents of child labour	Refer to the 'Human rights' section of our website.	
GRI 409: Forced or compulsory labour			
409-1	Operations and suppliers at significant risk of incidents of forced or compulsory labour	Refer to the 'Respecting human rights' section of this report. Page 52. Refer to the 'Human rights' section of our website.	
GRI 414: Supplier social assessments			
414-1	New suppliers that were screened using social criteria	Refer to the 'Working with responsible suppliers' section of this report. Page 54. Refer to the 'Human rights' section of our website.	
GRI 415: Public policy			
415-1	Political contributions	Refer to the 'Our spend on political advocacy policy position' under our policy positions on our website.	

Sustainability Accounting Standards Board (SASB)

Our 2023 responsible business reporting aligns with the SASB (Sustainability Accounting Standards Board) Household and Personal Care Products standard. The table below provides an overview of the standard and indicates the specific locations within the report and other Haleon documents where readers can find the corresponding information.

By presenting this mapping, we aim to improve transparency and streamline stakeholders' access to pertinent information, ensuring our reporting practices align with the SASB Household and Personal Care Products standard.

Topic	Unit of measure	Category	Accounting metric	Reference or response
Water management	Thousand cubic metres (m ³), Percentage (%)	Quantitative	(1) Total water withdrawn, (2) total water consumed; percentage of each in regions with High or Extremely High Baseline Water Stress	(1) Refer to the 'Integrating water stewardship and waste circularity' section of this report. Page 34. Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 21. (2) We are improving our data collection process on water consumption and discharge and plan to report on associated metrics in the future.
Water management	N/A	Discussion and analysis	Description of water management risks and discussion of strategies and practices to mitigate those risks	Refer to the 'Integrating water stewardship and waste circularity' section of this report. Page 34. Refer to our 2023 CDP water security response. See page 7 for further information.
Product environmental, health, and safety performance	Presentation currency	Quantitative	Revenue from products that contain REACH substances of very high concern (SVHC)	Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 12. In 2023, no products contained REACH substances of very high concern (SVHC) therefore there was no associated revenue.
Product environmental, health, and safety performance	Presentation currency	Quantitative	Revenue from products that contain substances on the California DTSC Candidate Chemicals List	We do not currently have a mechanism in place to report against this metric. We do, however, have a number of policies, standards and processes in place (detailed in this report) regarding substances used within our products. Our sustainability impact assessment tool is used to provide guidance and raise awareness on specific ingredients early in the new product development process.
Product environmental, health, and safety performance	N/A	Discussion and analysis	Discussion of process to identify and manage emerging materials and chemicals of concern	Refer to the Policies and Policy Positions under the 'Upholding our standards fact sheet' section of this report. Page 36. Refer to the 'Product quality and safety' section of this report. Page 40.
Product environmental, health, and safety performance	Presentation currency	Quantitative	Revenue from products designed with green chemistry principles	We do not currently have a mechanism in place to report against this metric. We do however have a number of policies, standards and processes in place (detailed in this report) which support a number of the green chemistry principles. Our sustainability impact assessment tool, a simplified Life Cycle Analysis tool, enables our R&D scientists to quickly and easily evaluate innovations to understand if their environmental impact is the same, better, or worse than previous products. Only projects scoring "same" or "better" should be approved unless there is a rationale for an exception.
Packaging life cycle management	Metric tonnes (t), Percentage (%)	Quantitative	(1) Total weight of packaging, (2) percentage made from recycled and/or renewable materials, and (3) percentage that is recyclable, reusable, and/or compostable	Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 20. Refer to the 'Environment fact sheet' and 'Making our packaging more sustainable' section of this report. Page 22, 28.
Packaging life cycle management	N/A	Discussion and analysis	Discussion of strategies to reduce the environmental impact of packaging throughout its life cycle	Refer to the 'Making our packaging more sustainable' section of this report. Page 28. Refer to the Haleon 'Climate Action Transition Plan' available on our website. Our sustainability impact assessment tool (as outlined above) enables our R&D scientists to understand the environmental impact of packaging throughout its life cycle.
Environmental and social impacts of palm oil supply chain	Metric tonnes (t), Percentage (%)	Quantitative	Amount of palm oil sourced, percentage certified through the Roundtable on Sustainable Palm Oil (RSPO) supply chains as (a) Identity Preserved, (b) Segregated, (c) Mass Balance or (d) Book & Claim	Refer to 'Environment fact sheet' and 'Sourcing trusted ingredients sustainably' in this Responsible Business Report 2023. Page 22, 32. Refer to the 'Haleon 2023 ESG Databook' available on our website. Page 14.

Sustainable Finance Disclosure Regulation – Principal Adverse Indicators (PAI)

The following index has been prepared by Haleon in line with EU Regulatory Technical Standards (RTS), as reflected in the Sustainable Finance Disclosure Regulation (SFDR), which covers asset managers and other financial markets participants operating on the EU market.

We are providing this information in order to disclose transparently to our investors information covering our adverse sustainability impacts aligned with standardised, comparable, and internationally recognised sustainability indicators. 2023 is our first year of presenting information on Principal Adverse Impacts (PAIs).

Mandatory

Disclosure	PAI indicator	Description	Disclosure location	2023 Direct answers, notes and omissions (n year)	2022 Direct answers, notes and omissions (n-1 year)
1	GHG emissions	Scope 1 GHG emissions (thousand tonnes CO ₂ e)	Annual Report and Form 20-F 2023. Page 189. ESG Databook 2023. Page 16.	Scope 1 emissions (thousand tonnes CO ₂ e): 60	Scope 1 emissions (thousand tonnes CO ₂ e): 56
		Scope 2 GHG emissions (thousand tonnes CO ₂ e)	Annual Report and Form 20-F 2023. Page 189. ESG Databook 2023. Page 16.	Scope 2 emissions (thousand tonnes CO ₂ e) market-based: 7 Scope 2 emissions (thousand tonnes CO ₂ e) location-based: 142	Scope 2 emissions (thousand tonnes CO ₂ e) market-based: 7 Scope 2 emissions (thousand tonnes CO ₂ e) location-based: 140
		Scope 3 GHG emissions (thousand tonnes CO ₂ e)	Annual Report and Form 20-F 2023. Page 189. ESG Databook 2023. Page 17.	Scope 3 emissions (thousand tonnes CO ₂ e): 2,336	Scope 3 emissions (thousand tonnes CO ₂ e): 2,233
		Total GHG emissions (thousand tonnes CO ₂ e)	Annual Report and Form 20-F 2023. Page 189. ESG Databook 2023. Page 16, 17.	Total GHG emissions (Scope 1, 2 and 3) (thousand tonnes CO ₂ e): 2,538	Total GHG emissions (Scope 1, 2 and 3) (thousand tonnes CO ₂ e): 2,429
2	Carbon Footprint	Carbon footprint	Annual Report and Form 20-F 2023. Page 189.	Total GHG emissions to be used in calculation (thousand tonnes CO ₂ e): 2,538	Total GHG emissions to be used in calculation (thousand tonnes CO ₂ e): 2,429
3	GHG intensity	GHG intensity of investee companies	Annual Report and Form 20-F 2023. Page 189.	Scope 1 and 2 CO ₂ e emissions intensity ratio (tonnes per £m revenue): 18	Scope 1 and 2 CO ₂ e emissions intensity ratio (tonnes per £m revenue): 18
4	Exposure to Fossil Fuel sector	Share of investments in companies active in the fossil fuel sector	N/A	Qualitative disclosure: Haleon is not in the fossil fuel sector	Qualitative disclosure: Haleon is not in the fossil fuel sector
5	Share of non-renewable energy consumption and production	Share of non-renewable energy consumption and non-renewable energy production of investee sources compared to renewable energy sources, expressed as a percentage of total energy sources	Annual Report and Form 20-F 2023. Page 189. ESG Databook 2023. Page 14, 15.	1. Energy use in direct operations: 697 GWh 2. Renewable energy use: 371 GWh 3. Non-renewable energy use: 326 GWh 4. Renewable energy %: 53%	1. Energy use in direct operations: 682 GWh 2. Renewable energy use: 359 GWh 3. Non-renewable energy use: 323 GWh 4. Renewable energy %: 53%
6	Energy Consumption intensity per high impact climate sector	Energy consumption in GWh per million of EUR of revenue of investee companies, per high impact climate sector	Annual Report and Form 20-F 2023. Page 189.	Qualitative disclosure: We currently do not report this metric in the format prescribed. See disclosures 4 and 5, and Haleon's Streamlined Energy and Carbon Reporting (SECR) disclosure.	Qualitative disclosure: We currently do not report this metric in the format prescribed. See disclosures 4 and 5, and Haleon's Streamlined Energy and Carbon Reporting (SECR) disclosure.

Disclosure	PAI indicator	Description	Disclosure location	2023 Direct answers, notes and omissions (n year)	2022 Direct answers, notes and omissions (n-1 year)
7	Activities negatively affecting biodiversity sensitive areas	Share of investments in investee companies with sites/operations located in or near biodiversity-sensitive areas where activities of those investee companies negatively affect those areas	N/A	Qualitative disclosure: We currently do not report this metric in the format prescribed.	Qualitative disclosure: We currently do not report this metric in the format prescribed.
8	Emissions to water	Tonnes of emissions to water generated by investee companies in million EUR invested, expressed as a weighted average	N/A	Qualitative disclosure: We currently do not report this metric in the format prescribed. Haleon has Water Quality Assessment Programmes and Wastewater Emissions Monitoring Programmes at our manufacturing facilities as required by local laws and regulations.	Qualitative disclosure: We currently do not report this metric in the format prescribed. Haleon has Water Quality Assessment Programmes and Wastewater Emissions Monitoring Programmes at our manufacturing facilities as required by local laws and regulations.
9	Hazardous waste and radioactive waste ratio	Tonnes of hazardous waste and radioactive waste generated by investee companies per million EUR	N/A	Qualitative disclosure: We currently do not report against the 'hazardous waste generated' metric in the format prescribed by this Index.	Qualitative disclosure: We currently do not report against the 'hazardous waste generated' metric in the format prescribed by this Index.
10	Violations of UN Global Compact principles and Organisation for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises	Share of investments in investee companies that have been involved in violations of the UNGC principles and OECD guidelines	Human Rights Policy	Qualitative disclosure: We are committed to following the UN Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-Operation and Development's (OECD) Guidelines for Multinational Enterprises, which include ensuring we have policies and processes to prevent, mitigate, and remediate potential and actual adverse human rights impacts.	Qualitative disclosure: We are committed to following the UN Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-Operation and Development's (OECD) Guidelines for Multinational Enterprises, which include ensuring we have policies and processes to prevent, mitigate, and remediate potential and actual adverse human rights impacts.
11	Lack of processes and compliance mechanisms to monitor compliance with UN Global Compact principles and OECD Guidelines for Multinational Enterprises	Share of investments in investee companies without policies to monitor compliance with UNG principles and OECD guidelines or grievance/complaints handling mechanisms to address violations of UNGC principles and OECD guidelines	Human Rights Policy	Qualitative disclosure: We are committed to following the UN Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-Operation and Development's (OECD) Guidelines for Multinational Enterprises, which include ensuring we have policies and processes to prevent, mitigate, and remediate potential and actual adverse human rights impacts.	Qualitative disclosure: We are committed to following the UN Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-Operation and Development's (OECD) Guidelines for Multinational Enterprises, which include ensuring we have policies and processes to prevent, mitigate, and remediate potential and actual adverse human rights impacts.
12	Average unadjusted gender pay gap	Average unadjusted gender pay gap of investee companies	Haleon Gender Pay Gap Reports	Qualitative disclosure: We currently do not report against this metric in the format prescribed by this Index. However, we report the mean and median gender pay gap for our UK workforce: mean 6.2%, median 5.5%.	Qualitative disclosure: We currently do not report against this metric in the format prescribed by this Index. However, we report the mean and median gender pay gap for our UK workforce: mean 5.3%, median 7.7%.

Disclosure	PAI indicator	Description	Disclosure location	2023 Direct answers, notes and omissions (n year)	2022 Direct answers, notes and omissions (n-1 year)
13	Board Gender Diversity	Average ratio of female to male board members in investee companies, expressed as a percentage of all board members	Annual Report and Form 20-F 2023. Page 79. ESG Databook 2023. Page 3.	% of women on Board: 45%	% of women on Board: 45%
14	Exposure to controversial weapons	Share of investments in investee companies involved in the manufacture or selling of controversial weapons	N/A	Qualitative disclosure: Haleon is not involved in the manufacture or selling of controversial weapons.	Qualitative disclosure: Haleon is not involved in the manufacture or selling of controversial weapons.

Voluntary

Disclosure	PAI indicator	Description	Disclosure location	2023 Direct answers, notes and omissions (n year)	2022 Direct answers, notes and omissions (n-1 year)
E2	Emissions of air pollutants	Tonnes of air pollutants equivalent pre million EUR invested, expressed as a weighted average	ESG Databook 2023. Page 19.	NOx: 237 metric tonnes SO ₂ : 394 metric tonnes CO: 82 metric tonnes PM10: 44 metric tonnes PM2.5: 35.9 metric tonnes An air quality emissions inventory can be found on page 19 of Haleon's ESG Databook 2023.	NOx: 235 metric tonnes SO ₂ : 392 metric tonnes CO: 81.6 metric tonnes PM10: 43.2 metric tonnes PM2.5: 35.4 metric tonnes An air quality emissions inventory can be found on page 12 of Haleon's ESG Databook 2023.
E3	Emissions of ozone-depleting substances	Tonnes of ozone-depleting substances equivalent per million EUR invested, expressed as a weighted average	ESG Databook 2023. Page 18.	Qualitative disclosure: We currently do not report this metric in the format prescribed. Data on ozone-depleting substances can be found on page 18 of Haleon's ESG Databook 2023.	Qualitative disclosure: We currently do not report this metric in the format prescribed. Data on ozone-depleting substances can be found on page 11 of Haleon's ESG Databook 2023.
E4	Investments in companies without carbon emission reduction initiatives	Share of investments in investee companies without carbon emissions reduction initiatives aimed at aligning with the Paris Agreement	Climate Action Transition Plan	Qualitative disclosure: Haleon has a climate strategy aligned with the Paris Agreement. Details can be found in our Climate Action Transition Plan.	Qualitative disclosure: Haleon has a climate strategy aligned with the Paris Agreement. Details can be found in our Climate Action Transition Plan.
E5	Breakdown of energy consumption by type of non-renewable sources of energy	Share of energy from non-renewable sources used by investee companies broken down by each non-renewable energy source	ESG Databook 2023. Page 14, 15.	We currently do not report against this metric in the format prescribed by this Index. However, we report the Total renewable energy consumption for 2023: 371 GWh	We currently do not report against this metric in the format prescribed by this Index. However, we report the Total renewable energy consumption for 2022: 359 GWh
E6	Water usage and recycling	1. Average amount of water consumed by the investee companies (in cubic metres) per million EUR of revenue of investee companies 2. Weighted average percentage of water recycled and reused by investee companies	ESG Databook 2023. Page 21.	We currently do not report against this metric in the format prescribed by this Index. However, we report the following metrics: 1. Water withdrawal: 2.18 million m ³ 2. Water recycled and reused: 0.04 million m ³	We currently do not report against this metric in the format prescribed by this Index. However, we report the following metrics: 1. Water withdrawal: 2.25 million m ³ 2. Water recycled and reused: 0.04 million m ³

Disclosure	PAI indicator	Description	Disclosure location	2023 Direct answers, notes and omissions (n year)	2022 Direct answers, notes and omissions (n-1 year)
E7	Investments in companies without water management policies	Share of investments in investee companies without water management policies	Environmental Sustainability Policy Water Stewardship Policy Position	Qualitative disclosure: Haleon has water management policies in place, outlined in our Environmental Sustainability Policy and our Water Stewardship Policy Position.	Qualitative disclosure: Haleon has water management policies in place, outlined in our Environmental Sustainability Policy and our Water Stewardship Policy Position.
E8	Exposure to areas of high water stress	Share of investments in investee companies with sites located in areas of high-water stress without a water management policy	Environmental Sustainability Policy Water Stewardship Policy Position	Qualitative Disclosure: Haleon has four manufacturing sites located in water-stressed basins. 100% have water management policies in place, as outlined in Haleon's Environmental Sustainability Policy and Water Stewardship Policy Position.	Qualitative Disclosure: Haleon has 4 manufacturing sites located in water-stressed basins. 100% have water management policies in place, as outlined in Haleon's Environmental Sustainability Policy and Water Stewardship Policy Position.
E11	Investments in companies without sustainable land/agricultural practices	Share of investments in investee companies without sustainable land/agriculture practices or policies	Sustainable and deforestation-free sourcing of materials policy position	Qualitative disclosure: Haleon aims for its key raw materials to be sustainably sourced and deforestation-free by 2030, as outlined in our Sustainable and Deforestation-Free Sourcing of Materials Policy Position.	Qualitative disclosure: Haleon aims for its key raw materials to be sustainably sourced and deforestation-free by 2030, as outlined in our Sustainable and Deforestation-Free Sourcing of Materials Policy Position.
E15	Deforestation	Share of investments in investee companies without a policy to address deforestation	Sustainable and deforestation-free sourcing of materials policy position	Qualitative disclosure: Haleon aims for its key raw materials to be sustainably sourced and deforestation-free by 2030, as outlined in our Sustainable and Deforestation-Free Sourcing of Materials Policy Position.	Qualitative disclosure: Haleon aims for its key raw materials to be sustainably sourced and deforestation-free by 2030, as outlined in our Sustainable and Deforestation-Free Sourcing of Materials Policy Position.
S1	Investments in companies without workplace accident prevention policies	Share of investments in investee companies without a workplace accident prevention policy	Environment, Health, Safety and Wellbeing Policy	Qualitative disclosure: Haleon's Environment, Health, Safety and Wellbeing Policy outlines accident prevention policies.	Qualitative disclosure: Haleon's Environment, Health, Safety and Wellbeing Policy outlines accident prevention policies.
S2	Rate of accidents	Rate of accidents in investee companies expressed as a weighted average	Annual Report and Form 20-F 2023. Page 19. ESG Databook 2023. Page 11.	We currently do not report against this metric in the format prescribed by this Index. However, we report Lost Time Reportable Injury and Illness rate (0.10) and Reportable Injury and Illness rate (0.14).	We currently do not report against this metric in the format prescribed by this Index. However, we report Lost Time Reportable Injury and Illness rate (0.10) and Reportable Injury and Illness rate (0.17).
S3	Number of days lost to injuries, accidents, fatalities or illness	Number of workdays lost to injuries, accidents, fatalities or illness of investee companies expressed as a weighted average	Annual Report and Form 20-F 2023. Page 19. ESG Databook 2023. Page 11.	We currently do not report against this metric in the format prescribed by this Index. However, we report Lost Time Reportable Injury and Illness rate (0.10) and Reportable Injury and Illness rate (0.14).	We currently do not report against this metric in the format prescribed by this Index. However, we report Lost Time Reportable Injury and Illness rate (0.10) and Reportable Injury and Illness rate (0.17).
S4	Lack of a supplier code of conduct	Share of investments in investee companies without any supplier code of conduct (against unsafe working conditions, precarious work, child labour and forced labour)	Supplier Code of Conduct	Qualitative disclosure: Haleon's Supplier Code of Conduct establishes the minimum standards that must be met by any entity that supplies products or services to the Haleon group of companies.	Qualitative disclosure: Haleon's Supplier Code of Conduct establishes the minimum standards that must be met by any entity that supplies products or services to the Haleon group of companies.

Disclosure	PAI indicator	Description	Disclosure location	2023 Direct answers, notes and omissions (n year)	2022 Direct answers, notes and omissions (n-1 year)
S5	Lack of grievance/complaints handling mechanism related to employee matters	Share of investments in investee companies without any grievance/complaints handling mechanism related to employee matters	Annual Report and Form 20-F 2023. Page 18. Responsible Business Report. Page 39. Speak up: haleon.i-sight.com/landing-page	Qualitative disclosure: Haleon encourages anyone, whether working for Haleon or not, to 'speak up' about alleged misconduct, possible breaches of our Code of Conduct, or other Company policies or procedures, or suspected violations of laws and regulations.	Qualitative disclosure: Haleon encourages anyone, whether working for Haleon or not, to 'speak up' about alleged misconduct, possible breaches of our Code of Conduct, or other Company policies or procedures, or suspected violations of laws and regulations.
S6	Insufficient whistleblower protection	Share of investments in entities without policies on the protection of whistleblowers	Annual Report and Form 20-F 2023. Page 18. Responsible Business Report. Page 39.	Qualitative disclosure: Haleon has a zero-tolerance policy towards behaviour which could be perceived as retaliation or harassment of any whistleblower who raises concerns in good faith.	Qualitative disclosure: Haleon has a zero-tolerance policy towards behaviour which could be perceived as retaliation or harassment of any whistleblower who raises concerns in good faith.
S7	Incidents of discrimination	Number of incidents of discrimination reported in investee companies expressed as weighted average. Number of incidents of discrimination leading to sanctions in investee companies expressed as a weighted average	Responsible Business Report. Page 39. ESG Databook 2023. Page 4.	Qualitative disclosure: We currently do not report against this metric in the format prescribed by this index.	Qualitative disclosure: We currently do not report against this metric in the format prescribed by this index.
S8	Excessive CEO pay ratio	Average ratio within investee companies of the annual total compensation for the highest compensated individual to the median annual total compensation for all employees (excluding the highest-compensated individual)	Annual Report and Form 20-F 2023. Page 91	Qualitative disclosure: We currently do not report against this metric, in the format prescribed by this Index. Our CEO Pay Ratio Disclosure provides an analysis against our UK workforce.	Qualitative disclosure: We currently do not report against this metric, in the format prescribed by this Index. Our CEO Pay Ratio Disclosure provides an analysis against our UK workforce.
S9	Lack of a human rights policy	Share of investments in entities without a human rights policy	Human Rights Policy	Qualitative disclosure: As outlined in Haleon's Human Rights Policy, we are committed to following the UN Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-Operation and Development's (OECD) Guidelines for Multinational Enterprises, which include ensuring we have policies and processes to prevent, mitigate, and remediate potential and actual adverse human rights impacts.	Qualitative disclosure: As outlined in Haleon's Human Rights Policy, we are committed to following the UN Guiding Principles on Business and Human Rights (UNGPs) and the Organisation for Economic Co-Operation and Development's (OECD) Guidelines for Multinational Enterprises, which include ensuring we have policies and processes to prevent, mitigate, and remediate potential and actual adverse human rights impacts.
S10	Lack of due diligence	Share of investments in entities without a due diligence process to identify, prevent, mitigate and address adverse human rights impacts	Human Rights Policy Haleon Human Rights Reports	Qualitative disclosure: Haleon's approach to due diligence is outlined in our Human Rights Policy.	Qualitative disclosure: Haleon's approach to due diligence is outlined in our Human Rights Policy.
S11	Lack of process and measures for preventing trafficking in human beings	Share of investments in investee companies without policies against trafficking in human beings	Human Rights Policy Supplier Code of Conduct	Qualitative disclosure: Haleon's Supplier Code of Conduct outlines that suppliers must comply with all applicable anti-slavery and human trafficking laws, statutes, regulations, and codes in force.	Qualitative disclosure: Haleon's Supplier Code of Conduct outlines that suppliers must comply with all applicable anti-slavery and human trafficking laws, statutes, regulations, and codes in force.

Disclosure	PAI indicator	Description	Disclosure location	2023 Direct answers, notes and omissions (n year)	2022 Direct answers, notes and omissions (n-1 year)
S12	Operations and suppliers at significant risk of incidents of child labour	Share of investments in investee companies exposed to operations and suppliers at significant risk of incidents of child labour in terms of geographic areas of type of operation	Haleon Human Rights Reports	Qualitative disclosure: We are committed to identifying, managing and mitigating our human rights impacts in line with international best practice, including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. We undertake an annual human rights risk assessment, in-depth human rights impact assessments and routine on-site audits against recognised standards.	Qualitative disclosure: We are committed to identifying, managing and mitigating our human rights impacts in line with international best practice, including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. We undertake an annual human rights risk assessment, in-depth human rights impact assessments and routine on-site audits against recognised standards.
S13	Operations and suppliers at significant risk of incidents of forced or compulsory labour	Share of investments in investee companies exposed to operations and suppliers at significant risk of incidents of forced or compulsory labour in terms of geographic areas and/or type of operation	Haleon Human Rights Reports	Qualitative disclosure: We are committed to identifying, managing and mitigating our human rights impacts in line with international best practice, including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. We undertake an annual human rights risk assessment, in-depth human rights impact assessments and routine on-site audits against recognised standards.	Qualitative disclosure: We are committed to identifying, managing and mitigating our human rights impacts in line with international best practice, including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises. We undertake an annual human rights risk assessment, in-depth human rights impact assessments and routine on-site audits against recognised standards.
S14	Number of identified cases of severe human rights issues and incidents	Number of cases of severe human rights issues and incidents connected to investee companies on a weighted average basis	Haleon Human Rights Reports	Qualitative disclosure: We currently do not report against this metric in the format prescribed by this index. See our Human Rights Reports for further information on this topic.	Qualitative disclosure: We did not report against this metric in 2022.
S15	Lack of anti-corruption and anti-bribery policies	Share of investments in entities without policies on anti-corruption and anti-bribery consistent with the United Nations Convention against Corruption	Anti-Bribery and Corruption Policy	Qualitative disclosure: Haleon's Anti-Bribery and Corruption (ABAC) Policy sets out its global ABAC principles, standards and requirements of the Company and its direct and indirect subsidiaries and affiliates.	Qualitative disclosure: Haleon's Anti-Bribery and Corruption (ABAC) Policy sets out its global ABAC principles, standards and requirements of the Company and its direct and indirect subsidiaries and affiliates.
S16	Cases of insufficient action taken to address breaches of standards of anti-corruption and anti-bribery	Share of investments in investee companies with identified insufficiencies in actions taken to address breaches in procedures and standards of anti-corruption and anti-bribery	Refer to 'Business Ethics' section of this report	Qualitative disclosure: We have a zero tolerance for all forms of corruption. All reported concerns are taken seriously and handled in accordance with our investigatory principles.	Qualitative disclosure: We have a zero tolerance for all forms of corruption. All reported concerns are taken seriously and handled in accordance with our investigatory principles.

Independent Limited Assurance

KPMG LLP has provided independent limited assurance, over the selected ESG data points listed below, under ISAE(UK)3000 and ISAE3410. This includes data points which have been extracted from Haleon's 2023 Annual Report and Form 20-F. The selected ESG data points in this Appendix should be read together with the [Basis of Reporting and KPMG LLP's limited assurance statement](#).

KPI	Units	Reporting Period	Value
Greenhouse gas emissions and energy			
Total net Scope 1 & 2 GHG emissions (market-based) - Global (restated baseline)	thousands of tonnes of CO ₂ e	1 Jan 20 to 31 Dec 20	96
Total Scope 1 GHG emissions - UK	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	2
Total Scope 1 GHG emissions - ROW	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	58
Total Scope 1 GHG emissions - Global	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	60
Total Scope 2 GHG emissions - location-based - UK	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	3
Total Scope 2 GHG emissions - location-based - ROW	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	139
Total Scope 2 GHG emissions - location-based - Global	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	142
Total Scope 2 GHG emissions - market-based - UK	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	0
Total Scope 2 GHG emissions - market-based - ROW	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	7
Total Scope 2 GHG emissions - market-based - Global	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	7
Total Scope 1 & 2 GHG emissions (location-based) - UK	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	5
Total Scope 1 & 2 GHG emissions (location-based) - ROW	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	197
Total Scope 1 & 2 GHG emissions (location-based) - Global	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	202
Total Scope 1 & 2 GHG emissions (market-based) - UK	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	2
Total Scope 1 & 2 GHG emissions (market-based) - ROW	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	65
Total Scope 1 & 2 GHG emissions (market-based) - Global	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	67
Total emissions offset - UK	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	0
Total emissions offset - ROW	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	17
Total emissions offset - Global	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	17
Total net Scope 1 & 2 GHG emissions (market-based) - UK	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	2
Total net Scope 1 & 2 GHG emissions (market-based) - ROW	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	48
Total net Scope 1 & 2 GHG emissions (market-based) - Global	thousands of tonnes of CO ₂ e	1 Dec 22 to 30 Nov 23	50
Total energy consumed in our operations - UK	GWh	1 Dec 22 to 30 Nov 23	27
Total energy consumed in our operations - ROW	GWh	1 Dec 22 to 30 Nov 23	670
Total energy consumed in our operations- Global	GWh	1 Dec 22 to 30 Nov 23	697

Independent Limited Assurance

KPI	Units	Reporting Period	Value
Total renewable energy consumed - UK	GWh	1 Dec 22 to 30 Nov 23	15
Total renewable energy consumed - ROW	GWh	1 Dec 22 to 30 Nov 23	356
Total renewable energy consumed - Global	GWh	1 Dec 22 to 30 Nov 23	371
Total renewable electricity consumed - UK	GWh	1 Dec 22 to 30 Nov 23	15
Total renewable electricity consumed - ROW	GWh	1 Dec 22 to 30 Nov 23	326
Total renewable electricity consumed - Global	GWh	1 Dec 22 to 30 Nov 23	341
GHG Emissions intensity (location-based) - UK	tonnes of CO ₂ e per £m revenue	1 Dec 22 to 30 Nov 23	14
GHG Emissions intensity (location-based) - ROW	tonnes of CO ₂ e per £m revenue	1 Dec 22 to 30 Nov 23	18
GHG Emissions intensity (location-based) - Global	tonnes of CO ₂ e per £m revenue	1 Dec 22 to 30 Nov 23	18
% Renewable electricity	%	1 Dec 22 to 30 Nov 23	100%
% Renewable energy	%	1 Dec 22 to 30 Nov 23	53%
Reduction in total net Scope 1 & 2 GHG emissions (market-based) - Global over the 2020 (restated) baseline	%	1 Dec 22 to 30 Nov 23	48%
Plastics and packaging			
Recycle-ready packaging	%	1 July 22 to 30 June 23	70%
Water			
Total water withdrawal	million m ³	1 Dec 22 to 30 Nov 23	2.18 million m ³
Women in leadership			
Women in leadership roles	%	As of 31 Dec 23	44.9
Health and safety			
Fatalities	Number of employees	1 Jan 23 to 31 Dec 23	0
Fatalities	Number of contractors	1 Jan 23 to 31 Dec 23	0
Reportable injury and illness rate	Rate per 100,000 hours worked	1 Jan 23 to 31 Dec 23	0.14
Lost time reportable injury and illness rate	Rate per 100,000 hours worked	1 Jan 23 to 31 Dec 23	0.10
Potential Serious Incident or Fatality (pSIF)	Number of events	1 Jan 23 to 31 Dec 23	36

Glossary

Contractors	A person that provides goods or services to Haleon but works for, is directly supervised by, and is paid by a separate person or business.	OTC	Over-the-Counter. Within Haleon, the three market categories collectively known as OTC: Pain Relief, Respiratory health, and Digestive Health and Other. More generally, the pharmaceutical products in these categories which are controlled but do not require a prescription.
DEI	Diversity, equity and inclusion.	Recycle-ready	Product packaging and devices that are made of materials that are proven to be compatible with existing or emerging recycling infrastructure. In line with the CDP definition of 'technical recyclability', this does not take into account whether the collection, sorting, and recycling of the packaging or device happens in practice, at scale, and with reasonable economics.
EHS	Environment, health and safety.	Scope 1 emissions	GHG emissions from sources that are owned or controlled by the reporting entity, for example, emissions from combustion in owned or controlled boilers for heating.
Employee/ Workforce	Persons on permanent or fixed-term contracts, who are directly employed by Haleon plc or its subsidiaries (does not include third-party temporary workers or contractors).	Scope 2 emissions	GHG emissions from the generation of electricity purchased and consumed by the reporting entity.
Empowered	For a person to be empowered they require agency (capability to act or to choose what action to take - e.g., skills, knowledge, understanding) and/or resources (the means to act - e.g., tools, products) to be more included in opportunities for better everyday health.	Scope 3 emissions	GHG emissions resulting from activities or assets not owned or controlled by the reporting entity, but that the entity indirectly affects by virtue of its value chain.
ERG	Employee resource group.	Self care	The ability of individuals, families, and communities to promote health, prevent disease, maintain health, and cope with illness and disability with or without the support of a health worker.
ESG	Environmental, social, and governance.	Source to sale	Scope 1, 2 and 3 emissions from the point of the original source of the raw materials used to make and package a product through processing and manufacturing to the transportation of products to the customer. It doesn't include the consumption or disposal of the products.
FMCG	Fast-Moving Consumer Goods.	Sustainably sourced	For the key material supply chains in scope of our sustainable sourcing goal, we define "sustainably sourced" as materials which have either (i) been certified by recognised global certification programmes where these are available, or (ii) where recognised programmes are not available, meet clear standards and processes for sustainable sourcing based on the specific issues and opportunities for each material, which have been agreed in advance with independent experts.
GHGs	Greenhouse gases. The gases in the atmosphere that raise the surface temperature of the Earth.	Third-party temporary workers	A person who is working on a non-permanent, but often exclusive, basis for Haleon but is paid by a third party.
Haleon/Company	The group of companies ultimately owned by Haleon plc.	Value chain	The full life cycle of a product or process, including material sourcing, production, transportation, consumption and disposal/recycling processes.
Health inclusivity	The process of removing the personal, social, cultural, and political barriers that prevent individuals and communities from experiencing good physical, mental and social health, and a life fully realised.	Virgin petroleum-based plastic	Plastic that is made from petrochemical feedstock such as natural gas or crude oil that has come from a fossilised source and/or embedded in geological formations and has never been used or processed before.
Health Professional(s)	Pharmacy, dental, respiratory, and dermatology wellness professionals and related teams.	VMS	Vitamins, Minerals and Supplements.
Impact materiality	Business activities that may affect either people or the environment either directly via the companies own business activities or indirectly via its value chain.	Water neutral	Status of a site when the amount of water replenished in its catchment area exceeds its water withdrawal.
Leadership roles	Employees within our compensation grades 0-5. These roles include members of the Executive Team, their direct reports (excluding administration support), heads of department and upper management.		
Non-virgin petroleum-based plastic	Plastic which has been either (i) recovered from plastic waste converted back into plastic (either through mechanical or advanced/chemical recycling), or (ii) made from a bio-sourced or other novel non-virgin petroleum feedstock(s).		
Opportunities for better everyday health	The circumstances for people to take proactive steps to maintain and improve their health and quality of life through the products they use as well as the behaviours, habits, and lifestyle they maintain to treat and manage self-limiting conditions, as well as to prevent ill health with or without the support of a healthcare provider.		

Disclaimer

Looking forward statements

This Responsible Business Report contains certain statements that are, or may be deemed to be, “forward-looking statements” (including for purposes of the safe harbor provisions for forward-looking statements contained in Section 27A of the US Securities Act of 1933 and Section 21E of the Securities Exchange Act of 1934). Forward-looking statements give Haleon’s current expectations and projections about future events, including strategic initiatives and future performance, and so Haleon’s actual results and performance may differ materially from what is expressed or implied by such forward-looking statements. Forward-looking statements sometimes use words such as “expects”, “anticipates”, “believes”, “targets”, “plans”, “intends”, “aims”, “projects”, “indicates”, “may”, “might”, “will”, “should”, “potential”, “could”, “looks”, “ambition”, “seeks”, “commitment”, “goal” and words of similar meaning (or the negative thereof). All statements, other than statements of historical facts, included in this Report are forward-looking statements.

Such forward-looking statements include, but are not limited to: statements relating to future actions and delivery on strategic initiatives; statements relating to Haleon’s commitments, targets, goals and Responsible Business strategy of making everyday health more inclusive, reducing its environmental impact, and operating with ethical, responsible, and transparent behaviours and standards of conduct; in particular, statements relating to commitments, targets, goals and actions intended to include more people in opportunities for better everyday health, to reduce carbon emissions, to make our packaging more sustainable, to source our trusted ingredients sustainably, to integrate water stewardship and waste circularity into our operations, to promote diversity, equity and inclusion and to uphold our standards.

Any forward-looking statements made by or on behalf of Haleon speak only as of the date they are made and are based upon the knowledge and information available to Haleon on the date of this Responsible Business Report.

These forward-looking statements and views may be based on a number of assumptions and, by their nature, involve known and unknown risks, uncertainties and other factors because they relate to events and depend on circumstances that may or may not occur in the future and/or are beyond Haleon’s control or precise estimate. Such risks, uncertainties and other factors that could cause Haleon’s actual results, performance or achievements to differ materially from those in the forward-looking statements include, but are not limited to, those discussed under “Risk Factors” in our 2023 Annual Report and Form 20-F. Forward-looking statements should, therefore, be construed in light of such risk factors and undue reliance should not be placed on forward-looking statements. Subject to our obligations under English and US law in relation to disclosure and ongoing information (including under the Market Abuse Regulations, the UK Listing Rules and the Disclosure and Transparency Rules of the Financial Conduct Authority (“FCA”)), we undertake no obligation to update publicly or revise any forward-looking statements, whether

as a result of new information, future events or otherwise. You should, however, consult any additional disclosures that Haleon may make in any documents which it publishes and/or files with the SEC and take note of these disclosures, wherever you are located.

No statement in this document is or is intended to be a profit forecast or profit estimate.

This document does not form part of Haleon’s 2023 Annual Report and Form 20-F.



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