

**For Health.
With Humanity.**



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Foreword.



Brian McNamara
Chief Executive Officer



Mairéad Nayager
Chief Human Resources Officer

"2022 was a milestone year for Haleon. We launched as an independent company 100 per cent focused on consumer health, with a clear purpose to **deliver better everyday health with humanity**. This purpose guides us in everything we do. Embedding a culture that supports Diversity, Equity and Inclusion (DEI) is integral to allowing us to live this purpose, as well as achieving our growth ambitions.

We are committed to ensuring that our workforce reflects the diversity of the consumers and communities who trust and rely on our products every day, across the globe. Not only is this the right thing to do, but we also firmly believe that having a diverse workforce is a powerful source of competitive advantage.

Ensuring gender balance, recognising and celebrating the contribution of women and improving their representation across all levels of our business, is at the heart of our DEI ambitions. We're pleased to be sharing Haleon's first gender pay gap report for our business in the UK. Our analysis has revealed a mean hourly pay gap of 5.3 per cent and a median hourly pay gap of 7.7 per cent. While this is well below the UK median average of 14.9 per cent*, we are determined to drive further improvement.

Since our launch in July 2022, we have taken a series of positive steps to support the interests of women at Haleon - including our progressive Global Parental Leave and Global Caregiver Leave policies. As a newly formed company, we are however, very much at the beginning of our journey and know there is a lot more for us to do in this important space.

Within this report, we set out our plan for advancing the careers, prospects, health and wellbeing of our female employees. Later on, you will hear from some of our employees who are directly involved in some of these initiatives.

Given the importance of gender balance and representation at Haleon, we are committed to measuring and reporting on our progress for gender pay in the UK. This transparency is critical for us to better understand and break down barriers to progress for our valued and talented female employees."

Brian McNamara

Mairéad Nayager

*Source: Office for National Statistics, 2022



About Haleon: our purpose and culture.

Following our successful demerger from GSK, Haleon was established in July 2022 as a standalone global leader in consumer health and listed on the London and New York Stock Exchanges. We are proud to be a member of the FTSE 100 and a company headquartered in the UK, with brands trusted by millions of consumers globally.

The group employs c.24,000 people globally, who are united by Haleon's purpose - to **deliver better everyday health with humanity**.

Our purpose drives us to meet the everyday health needs of people in new and better ways, to develop innovations that are meaningful and impactful, and to make everyday health more achievable, inclusive, and sustainable. It fuels our growth ambitions, drives our performance, and unites our employees with a distinct culture, where individuals and teams always strive to do the right thing.

Haleon's product portfolio spans five major categories - Oral Health, Pain Relief, Respiratory Health, Digestive Health and Other, and Vitamins, Minerals and Supplements (VMS). Our category leading brands - such as Advil, Sensodyne, Panadol, Voltaren, Theraflu, Otrivin, Polident, parodontax and Centrum - are built on trusted science, innovation and deep human understanding.





Our Diversity, Equity and Inclusion (DEI) ambitions.

Haleon plc's ambition is to create an inclusive environment where all employees feel a sense of belonging, are valued and understood, are treated fairly and equally, and are supported to progress and thrive. We embrace diverse backgrounds, experiences and perspectives and are committed to developing a workforce which reflects our consumers and communities across the globe.

Championing Diversity, Equity and Inclusion (DEI)

We are committed to creating a truly inclusive environment where everyone can feel a sense of belonging and thrive.

Gender representation is included as one of the Responsible Business measures for rewarding senior leaders under our Long-Term Incentive Plan

Among others, our goals include reaching gender parity in leadership roles by 2030

We aim to develop a leadership position on DEI initiatives and policies

FTSE Women Leaders Review:

- Haleon is committed to supporting the recommendations of the FTSE Women Leaders Review and promoting gender balance throughout the business, including female representation in senior leadership roles. We are proud to be acknowledged as one of the top 10 performers in 2022.
- The FTSE Women Leaders Review is an independent, business-led framework supported by the UK Government, which sets recommendations for Britain's largest companies to improve the representation of Women on Boards and in Leadership positions.

46.9% Share of women across global workforce

43.7% Share of women in leadership positions*

42.8% Share of women on Haleon's Executive Team

45.4% Share of women on Haleon's Board of Directors

What DEI means at Haleon:

At Haleon, Diversity, Equity and Inclusion is both integral to and an enabler of our purpose to deliver better everyday health with humanity. We recognise that a global business like ours needs to represent diverse voices, views and experiences from all walks of life to better meet the needs of consumers around the world. Our DEI goals are also intrinsically linked with our commitment to health inclusivity. By 2025, we aim to help 50 million people per year gain access to opportunities for better everyday health, irrespective of their age, physical and mental capabilities, gender, ethnicity or sexual orientation. In striving to meet our goal, we are starting with improving the experiences of our employees, with this report outlining some of the first steps we are taking to improve the health and wellbeing of women at Haleon. Over time, as we further embed our DEI principles, we will focus on other aspects of diversity, including ethnicity, disability and more.

* Percentage of women in employee or fixed-term contract leadership roles, defined as 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 other upper management.



Haleon in the UK.

Our UK Sites:

- Haleon's interim global headquarters are located in Weybridge, Surrey, along with our global R&D facility focused on Oral Health products and other areas. We are also expanding our office and meeting spaces in London.
- Maidenhead, Berkshire, is home to our UK manufacturing facilities and is a key Oral Health site producing the global power brands Sensodyne and paradontax, as well as Corsodyl and Aquafresh.

Haleon's employee base in the UK, comprising c.1,700 employees, spans the following areas:



- Executive Leadership Team & Global Support Functions



- GB&I Commercial Business



- Research & Development



- Quality & Supply Chain



UK Workforce Fast Facts:

Total UK workforce comprises **47** per cent women and **53** per cent men
20 per cent of total UK workforce works in manufacturing



About our reporting.

About the gender pay gap.

Regular and transparent reporting on the gender pay gap in the UK and other markets around the world is an essential aspect of our commitment to our Diversity, Equity and Inclusion goals. In the UK, it's a legal requirement for organisations with 250 or more employees to report annually on their gender pay gap performance.

The gender pay gap measures the difference between the average pay of all males in the workforce and the average pay of all females in the workforce, regardless of the nature or level of the role. It's a comparison that reflects any differences in the distribution of males and females across the workforce.

A positive percentage difference shows that men are being paid more, while a negative percentage difference shows that women are being paid more.

The gender pay gap measure is not the same as equal pay. Equal pay means giving the same pay to men and women whose roles are the same or broadly similar, with any differences in pay based on factors other than gender, such as skills and experience. Haleon is fully committed to equitable and fair pay.

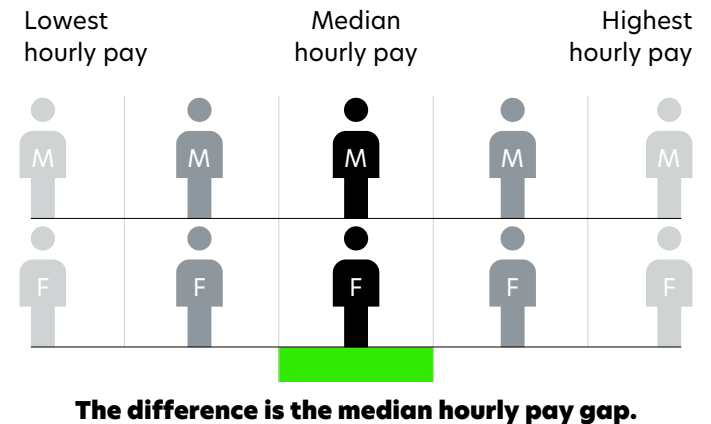
How we measure the gender pay gap.

To comply with legislation, we measure both the mean and median gender pay gap within this report. The former reflects the entire pay range across our organisation in the UK while the latter excludes the impact of the highest and lowest earners. Both of these measures help us to better understand the key factors driving any imbalance in remuneration between men and women. We also provide the proportion of men and women receiving bonus payments and measure the mean and median bonus gap. In addition, we include details of the quartile pay bands, in line with the legislation requirements.

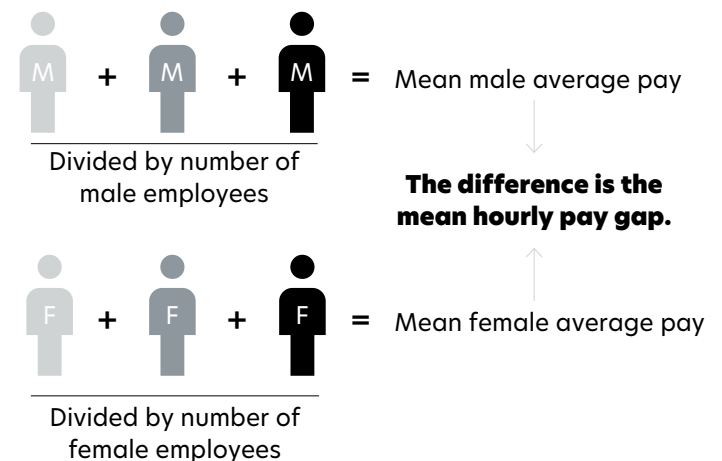
Our gender pay gap calculations are based on payroll data taken from the required snapshot date of 5 April, 2022. As this snapshot date is prior to Haleon's launch as an independent listed company, the figures contained within this report reflect the period during which the business operated within GlaxoSmithKline Group as GSK Consumer Healthcare.

Within this report, to provide a holistic view of our gender pay gap results, we are voluntarily providing figures for the whole of Haleon's UK business, as well as figures for the two legal entities which we are legally required to disclose: (i) Haleon UK Trading Limited (ii) Haleon UK Services Limited.

The median pay gap.



The mean pay gap.





Our results.

Combined figures for Haleon UK (consisting of Haleon UK Trading Limited and Haleon UK Services Limited)

Pay gap		Bonus gap		% of employees in each pay quartile			Number of employees	
Mean hourly	Median hourly	Mean	Median	Pay quartile	Male	Female	Total	
5.3%	7.7%	5.4%	17.4%	Upper (top 25% pay)	58.6%	41.4%	1,673	
		% of employees receiving bonuses		Upper middle	53.5%	46.5%	Male	Female
		100%	100%	Lower middle	43.8%	56.2%	886	787
				Lower (bottom 25% pay)	55.8%	44.2%		

Haleon UK Trading Limited

Pay gap		Bonus gap		% of employees in each pay quartile			Number of employees	
Mean hourly	Median hourly	Mean	Median	Pay quartile	Male	Female	Total	
5.1%	4.7%	15.4%	5.8%	Upper (top 25% pay)	60.9%	39.1%	1,261	
		% of employees receiving bonuses		Upper middle	49.5%	50.5%	Male	Female
		100%	100%	Lower middle	44.8%	55.2%	673	588
				Lower (bottom 25% pay)	58.4%	41.6%		

Haleon UK Services Limited

Pay gap		Bonus gap		% of employees in each pay quartile			Number of employees	
Mean hourly	Median hourly	Mean	Median	Pay quartile	Male	Female	Total	
6.6%	8.8%	-11.0%	19.2%	Upper (top 25% pay)	56.7%	43.3%	412	
		% of employees receiving bonuses		Upper middle	57.3%	42.7%	Male	Female
		100%	100%	Lower middle	49.0%	51.0%	213	199
				Lower (bottom 25% pay)	43.7%	56.3%		



Reasons for our gender pay gap.

While the median hourly pay gap of 7.7 per cent for Haleon's business overall is below the UK median average of 14.9 per cent,* a gender imbalance remains. We are determined to address this gap across our UK operations, with this report detailing the first steps that we'll be taking as a newly fledged business to ensure greater gender balance across pay and careers for women at Haleon.

The pay gap for Haleon in the UK is driven by a greater proportion of men working in more senior roles than women. The same factors account for the bonus gap between men and women, although it is also driven by a greater number of women working part-time. The bonus gap is reported without taking the differences between full time and part time bonus payments into account.

We acknowledge and are committed to addressing the overall gender pay and bonus gap, while ensuring non-discriminatory pay practices for employees across all our legal entities in the UK.



* Source: Office for National Statistics, 2022



Our first steps to support women's careers.

As a newly listed company created in July 2022, Haleon is at the beginning of its journey to build a fully inclusive culture and take the necessary steps to advance the careers and prospects of women. We expect the steps outlined in this report to have a positive impact on the gender pay gap over time.



Progressive Policies:

Global Parental Leave

We've introduced a market-leading parental leave policy whereby all employees globally are entitled to 26 weeks fully paid leave following the arrival of a child. This policy is open to all employees, regardless of gender or sexuality, and additionally supports the retention of women. It also covers biological birth, surrogacy and adoption.

Global Caregiver Leave

Figures suggest that women are more likely to become carers and to provide more hours of unpaid care than men, with their resulting absence from the workplace often hindering their career progression.* As part of our purpose to deliver better everyday health with humanity, and to better support the needs of employees with caring responsibilities, we've introduced a new global policy which provides four weeks of paid leave within a calendar year, when they need to care for a loved one.

Menopause Support for Women

We're in the early stages of developing our plans and policies aimed at supporting women in the workplace during various phases of their lives, including menopause and perimenopause. As a first step, our UK private healthcare policy for eligible employees provides cover for visits to GPs specialising in menopause or menopause specialists. We've also established a social networking community group for women where they can convene and share their experiences of menopause through constructive and supportive dialogue.



Our first steps to support women's careers.

“51 per cent of the population will experience menopause. But for far too long, too many people experiencing menopause struggle with societal stigma, discrimination and lack of support in the workplace and inadequate diagnosis and treatment. With women making up a large proportion of the ageing workforce, it's critical that conversations around menopause are normalised and that awareness, education and training is prioritised. We're just at the beginning of this journey but, over time, are aiming to ensure everyone at Haleon is represented and supported through menopause.”

Nicki Metcalfe

Innovation Sales Finance Director and
Menopause Support Champion





Our first steps to support women's careers.

Career Development and Learning:

Talent Development focused on Women

We've set an ambition to get to Gender Parity in leadership roles by 2030 which includes building stretching goals into our incentive plan for leaders. This means a greater focus on diversity within our talent review and succession processes, both on a functional and market level, to accelerate the development and appointment of women into leadership roles across the business. We leverage talent development programmes focused specifically on developing women to further support their career progression and inclusive leadership.

DEI Training and Awareness

We're committed to raising awareness amongst all employees globally on diversity, representation and unconscious bias. We have a number of online training modules available which focus on the importance of diversity, equity and inclusion. We also use the power of Haleon's brand and our category leading household brands to raise awareness of DEI topics by celebrating culturally relevant moments such as International Women's Day and PRIDE with employees and consumers.





Our first steps to support women's careers.

“Diverse teams create the best ideas and innovation so it is critical our science takes an inclusive approach in everything we do. That’s why we invest in a variety of STEM partnerships from the Brooklands Innovation Academy in the UK to the Cristo Rey network in the US. There is always more work to do in this space to inspire the next generation of female scientists and we are committed to closing this gap.”

Peter Ramsey
Chief Scientific Officer





Our first steps to support women's careers.

Building our Future Talent Pool:

Getting Women back to the Workplace

In 2023, we'll be running a pilot in the UK and US with Women Returners - an organisation which helps women who have taken extended career breaks to return to the workplace. The pilot aims to increase diversity within Haleon's workforce with a focus on women and ethnicity, by recruiting from a relatively untapped talent pool of people who have been out of the workforce for at least 18 months.

Encouraging Women and Girls to step into STEM

As a leading global provider of consumer health, steeped in science and innovation, we have a responsibility to participate in the movement to close the skills gap by encouraging more women and girls to pursue STEM subjects and careers. Our annual apprenticeship and graduate intake programmes actively target a high proportion of young women and diverse candidates. Our employees also regularly engage school children around STEM and careers at Haleon via our local community outreach programmes.

Governance:

Global DEI Council

To set the direction and governance of Haleon's DEI strategy, we've established a Global DEI Council. Chaired by the CHRO, the council will meet regularly to set priorities and drive accountability to initiate, fund and oversee the implementation of our global DEI activity.

Global ERGs

We've created four Global Employees Resource Groups (ERGs) - focused on Disability, Gender, LGBTQ+ and Ethnicity - to create a positive impact around a range of diversity topics and issues. These are voluntary, employee-led communities, where our employees will convene to drive meaningful change across our company. Through our Women@Haleon ERG, we are focused on promoting gender balance, leadership development and increasing women's representation across all levels of the company.



Our first steps to support women's careers.



“Our vision for the Women@Haleon Global ERG is to strive for gender equality at every level to achieve full equality and true representation for women in the workplace and society. Through the ERG, we are building a community of like-minded employees across the globe who are passionate about being actively involved in fostering an inclusive and diverse culture. We will achieve this by focusing on initiatives aimed at promoting gender balance, leadership development, further increasing women’s representation at all levels of the organisation and developing a sense of belonging for our female talent.”

Denise Walters

Stability Sciences Lead and Co-Lead, Women@Haleon Global ERG



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Declaration

I confirm that the data and information presented in this report are accurate and meet the requirements of the UK Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.

A handwritten signature in black ink, appearing to read 'Oriane Lacaze', enclosed within a simple, hand-drawn oval shape.

Oriane Lacaze

Director, Haleon UK Trading Limited;
Haleon UK Services Limited

A solid green horizontal bar with a white arrow pointing to the right, positioned above the text.

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