

HAL=ON

**Norwegian Transparency Act
Statement
2022**



Haleon Norwegian Transparency Act Statement

About this statement

This is Haleon Norway AS's first Norwegian Transparency Act Statement (the "Statement") in accordance with the Norwegian Transparency Act 2022 ("the Act"). For the purposes of this statement, references to "Haleon Norway" will be references to Haleon Norway AS and references to "Haleon" will be references to the group of companies ultimately owned by Haleon plc, of which Haleon Norway is a part. This Statement covers the structure, operations, and supply chain of Haleon Norway and the wider Haleon business as relevant to the Act for the 12 month period ending on 31 December 2022.

Globally, Haleon has policies and processes in place relating to human rights that cover both our own operations, and those of our suppliers.

This statement has been approved by the Managing Directors of Haleon Norway AS.

Signe Kullmann

Signe Kullman
Managing Director of Haleon Norway AS
29 June 2023

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1. Introduction

Our purpose at Haleon is to deliver better everyday health with humanity. As a multinational organisation with global reach, we are committed to respecting and promoting human rights across our value chain. With this in mind, our approach to human rights and decent working conditions is to work collaboratively across our business and supply chain, as well as with Non-Governmental Organisations.

We are committed to following the UN Guiding Principles on Business and Human Rights (UNGPs), the Organisation for Economic Co-Operation and Development's (OECD) Guidelines for Multinational Enterprises and obligations imposed by the Norwegian Transparency Act 2022. We are also committed to upholding the Universal Declaration of Human Rights and the core labour standards set out by the International Labour Organisation (ILO). Haleon plc is a signatory of the UN Global Compact.

2. Our business structure, operations and supply chains

Haleon is a global leader in consumer health, with brands trusted by millions of consumers globally. Haleon's product portfolio spans five major categories - Oral Health, Pain Relief, Respiratory Health, Digestive Health and other, and Vitamins and Minerals and Supplements (VMS). Haleon was created in July 2022 when the Haleon group of companies demerged from GSK.

Haleon Norway's activity in Norway is focused on sales and distribution of our products and it has a network of suppliers, distributors and customers across Norway to ensure its products are available in pharmacies, supermarkets, and online retailers throughout the country.

Haleon Norway offers a range of products for various health needs, including pain relief (Panodil, Voltarol), cough and cold (Otrivin), digestive health (Idoform), wellness (Nicotinell) and oral health care (Sensodyne, parodontax, Corega). Haleon is committed to its purpose of delivering better everyday health with humanity, meeting the health needs of consumers in Norway, and ensuring its products are of the highest quality.

The products sold by Haleon Norway are manufactured by Haleon's own global network of manufacturing factories as well as by some "tier 1" third party manufacturing organisations (known as CMOs). 126 different product stock keeping units were sold by Haleon Norway during 2022, and these were manufactured by 5 Haleon factories based in Switzerland, Italy, Slovakia, UK and Ireland, and 14 CMOs based in Spain, Belgium, France, Denmark, Germany, UK, Italy, India and China. Haleon Norway also used 1 logistics supplier, headquartered in Denmark.

3. Implementing human rights due diligence

Our due diligence approach to managing the risk of human rights abuses forms part of our broader efforts to run a responsible business. We have aligned our approach with the UN Guiding Principles on Business and Human Rights (UNGPs) and OECD Guidelines for Multinational Enterprises and their guidance on human rights due diligence (HRDD). The following outlines how we meet the 6 steps of HRDD.

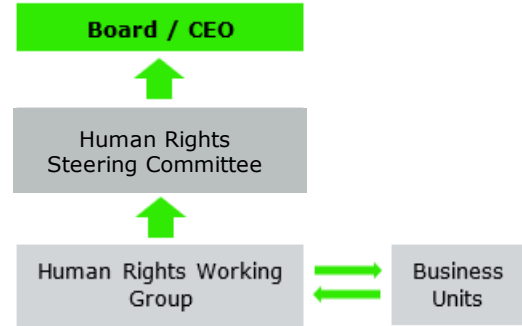
3.1 Embed responsible business conduct

Haleon is working to embed responsible business conduct, including human rights protections, into policies and management systems. Below we outline how we have embedded human rights

protections into our governance structures, as well as how we have sought to ensure accountability through policies and training.

Governance

The OECD Due Diligence Guidance for Responsible Business Conduct recommends businesses embed policies and human rights into a business’s oversight bodies. In 2022 Haleon created a human rights governance structure to embed human rights across our business. This diagram provides an overview of governance, accountability, and reporting lines.



The Board of Haleon plc receives an annual report on human rights. This includes a summary of actions taken to manage the risk of modern slavery and other human rights abuses in our business operations and supply chain.

The Human Rights Steering Committee, which includes members of our Executive Team, has meetings quarterly to provide oversight and support on human rights issues. It is responsible for approving the human rights action plan and strategy. Leadership roles in the group include the Head of Transformation and Sustainability, the Chief Supply Chain Officer, the Chief Human Resources Officer, the Chief Procurement Officer and the VP Legal and Chief Privacy Officer.

Our Human Rights Working Group meets monthly to discuss human rights policies, processes, and issues across the business. The working group is responsible for ensuring the delivery of our human rights action plan and cascading knowledge on human rights and modern slavery across functions and our Business Units.

Policies

The OECD Due Diligence Guidance for Responsible Business Conduct recommends businesses devise, adopt and disseminate a combination of policies. We have several group-wide policies in place that are relevant to human rights and decent working conditions. We will continually review and develop our policies as we gather more insight into our risks and the input from in-house experts, suppliers, and external stakeholders. As part of its creation as a new, standalone group of companies, Haleon adopted a number of policies and positions in relation to human rights. They are as follows:

Code of Conduct – The Haleon [Code of Conduct](#) applies to all our employees and complementary workers and helps us shape the decisions we have to make and the actions we choose to take. It sets out the clear expectation of us as a group of companies and explains the principles that underpin our ethical standards. It includes human rights requirements and provides examples of human rights issues such as forced labour.

Human Rights Policy – Our human rights policy is set out in our [Human Rights Policy](#) which outlines our commitment as Haleon to respect and support human rights wherever we do business. It specifically outlines our expectation that employment is freely chosen.

Working with Responsible Third Parties Position – Our position paper outlines our expectations of the standards we expect suppliers to meet, this includes regarding human rights issues such as forced labour and child labour.

Speak up tool - We encourage anyone, whether working for Haleon or not, to speak up about misconduct, possible breaches of our Code of Conduct, or other company policies or procedures, and suspected violations of laws and regulations and we provide a “Speak Up” tool to enable this. Our

Speak Up tool is provided by an independent third party and is multilingual. More information and access to our Speak Up telephone line or internet reporting channels can be found [here](#).

Training

Building our capacity to understand human rights and modern slavery challenges is key to our human rights strategy. In 2022 we developed an e-learning on human rights for employees which is being translated and rolled out in 2023. All employees are provided with mandatory training on our Code of Conduct which includes information on human rights and how to report concerns.

In 2022 our Human Rights Working Group were provided with training from Slave-Free Alliance (SFA) and several members of the working group also began Human Rights Due Diligence training.

In 2023 we plan to hold supplier events and to develop resources to communicate our expectations regarding human rights to our suppliers. We will also continue to work to provide additional resources and training to suppliers where relevant.

3.2 Identify and assess adverse impacts

We take a global approach to identifying and assessing human rights impacts and risks as the majority of the local businesses, including Haleon Norway, rely on Haleon's global network and supply chain.

We believe our exposure to the risk of severe human rights impacts increases when we engage with third parties, particularly in categories such as facilities management, construction, logistics (transportation and warehousing), labour providers and raw material supply chains.

We have a sustainable sourcing strategy to manage the risks in our raw material supply chain and we have prioritised a number of key material supply chains which include palm, paper, mint, carrageenan, tobacco, soy, fish oil, squalene, and corn/wheat derivatives.

To identify and assess the risk of human rights violations across our own operations, supply chains and business relationships, we have undertaken the following steps:

- **Annual Human Rights Risk Assessment**

In January 2022 we concluded Haleon's first human rights risk assessment to help us prepare, as a new business, to respect and support human rights. We looked at our risks across our value chain. This included internal stakeholder engagement and a country and business activity risk assessment. We identified 3 key areas of business activity inherently at risk for human rights violations. These were: our third-party logistics supply chain, use of labour providers for temporary and lower skilled workers, and raw material supply chains such as palm oil and mint. From this we developed a two-year action plan on human rights which was approved in March 2022 by the Human Rights Steering Committee.

We will continue to undertake human rights risk assessments on an annual basis. The form of our annual assessments aligns with the OECD Due Diligence Guidance for Responsible Business Conduct which recommends businesses carry out a broad scoping exercise to identify all areas of the business, across its operations and relationships, including in its supply chains where human rights risks are most likely to be present and most significant.

- **Regular risk management**

In 2023 we are onboarding all Haleon's own manufacturing sites onto the Sedex social assessment platform. We will then use a risk-based approach to undertake on-site Sedex SMETA audits. This will complement the programme of due diligence we already undertake on our own

operations and manufacturing sites which include Environment, Health and Safety audits and Quality and Product Safety audits.

Our Third-Party Risk Management (TPRM) process seeks to proactively assess risks across our supply chain. As part of this process, we carry out risk assessments and due diligence to identify labour rights risks when engaging new suppliers and other partners. We use a combination of EcoVadis assessments and Pharmaceutical Supply Chain Initiative (PSCI) audits to assess human rights risks.

- **In-depth due diligence for high-risk activity**

Where our annual risk assessment, regular risk management or grievance mechanisms have identified potential human rights risks which may require further investigation, Haleon has undertaken targeted in-depth due diligence. For example, in 2022 we identified the farming communities in Uttar Pradesh, where 70% of our mint is sourced from, as potentially high risk for human rights issues and undertook a Human Rights Impact Assessment (HRIA). This assessment involved interviews and engagement with over 600 rightsholders. The research was undertaken with the support and collaboration of four tier 1 suppliers and two tier 2 suppliers. The section on cease, prevent or mitigate adverse impacts below has more detail on what we are doing to address the challenges in the mint supply chain.

In 2022 we also undertook targeted due diligence in our logistics supply chain to understand the maturity of our suppliers to manage human rights risks and our engagement with them on this will continue in 2023.

These in-depth assessments align with the OECD Due Diligence Guidance for Responsible Business Conduct which recommends businesses carry out iterative and increasingly in-depth assessment of prioritised operations, suppliers, and other business relationships in order to identify and assess specific actual and potential adverse impacts. During this work we will also seek to identify Haleon's involvement with the adverse impact identified to determine the appropriate response. We also use the UN Guiding Principles on Business and Human Rights guidance to prioritise the most significant risks and impacts for action based on severity and likelihood.

3.3 Cease, prevent or mitigate adverse impacts

The OECD Due Diligence Guidance for Responsible Business Conduct outlines that businesses should stop activities that are causing or contributing to adverse impacts and develop and implement plans to prevent and mitigate potential future adverse impacts.

Haleon seeks to work with suppliers to address identified issues and support their improvements and may withdraw our business if a supplier refuses to address significant issues.

Following our Human Rights Impact Assessment (HRIA) undertaken in 2022, we have been taking steps to address and mitigate issues in the mint supply chain in Uttar Pradesh, India. We are undertaking activities to address any issues as well as to prevent future issues occurring. However, the mint supply chain is incredibly complex, with many intermediaries between Haleon and the Indian mint farmers and so, following the assessment, we have been working closely with our suppliers to develop action plans to seek to address the root causes of issues.

All of these activities which we are undertaking form part our Healthy Mint Supply Chain strategy which aims to: uphold health and safety standards in mint farming, improve farmers' livelihoods, support health and gender empowerment in mint growing communities and reduce the environmental impact of mint production as a whole. This work will be a long-term commitment for Haleon, its suppliers and other partners.

3.4 Track implementation and results

Our January 2022 human rights gap assessment informed our human rights strategy and where we need to focus our efforts to be more effective in risk management. We have developed key actions across 3 workstreams:

- Building our capacity to understand human rights risks
- Strengthening our due diligence processes to identify human rights impacts
- Investing in partnerships to prevent and mitigate risks and where necessary to remediate impacts.

A quarterly update is provided to the Haleon Human Rights Steering Committee on the progress against our action plan and these key areas.

In 2022 we undertook a review of the effectiveness of our Speak Up mechanism using the AIM-Progress Grievance Mechanism Maturity Framework and self-assessment tool.

Following the roll-out of Sedex across our own operations and supply chains in 2023 we will be developing more metrics to track implementation of our programmes and their results.

3.5 Communicate how impacts are addressed

Haleon endeavours to communicate its work on human rights in several ways. These include:

- Legislative reporting requirements such as our Modern Slavery Statement and this Norwegian Transparency Act Statement.
- Summary information in our [2022 Annual Report and Form 20F](#) on page 25.
- Information on our website in our wider ESG communication pages and our ESG Reporting pages [here](#).

As newly created group of companies, Haleon is in the early stages of its human rights journey and will continue to provide regular updates on our progress.

3.6 Provide for or cooperate in remediation when appropriate

The OECD Due Diligence Guidance for Responsible Business Conduct recommends that businesses establish operational-level grievance mechanisms.

Our grievance mechanism is called 'Speak Up' and it is available to all Haleon employees, contractors, suppliers, workers in our supply chains, communities where we operate and anyone outside of our business who has a concern or sees something that is not in line with our policies, our standards, or the law. We also expect suppliers which we work with to provide a grievance mechanism for workers to raise occupational concerns.

Concerns can be reported as part of Speak Up through the following channels: telephone, web portal, e-mail, or mail. These channels are managed independently of Haleon and are available globally in multiple languages. Links for these channels can be found [here](#).

When we receive a concern through Speak Up, we apply our investigative principles of humanity, confidentiality, proportionality and safeguarding to the matter raised. The concern will be looked at in detail by individuals in the Haleon Investigations, Legal and HR teams, and, if appropriate, a formal investigation may take place. Once we have established the facts, we ensure that the

concern is addressed in an appropriate way., At the end of the process we give feedback to the person who reported the concern, even if we are unable to share the outcome in detail.

Haleon has developed a Human Rights Incident Response Protocol to support those involved in investigating, addressing, and communicating human rights risks and impacts to act in the best interests of the potential victim and ensure Haleon takes the best action possible. This protocol was developed by internal teams, including the Haleon human rights team, in collaboration with an external expert on human rights. It is being embedded into our current processes and we will be providing training during 2023 on the protocol to relevant teams and individuals.

4. Right to request information

The Act entitles third parties to request information from Haleon Norway concerning how it addresses actual and potential adverse impacts on fundamental human rights and decent working conditions that Haleon Norway has either caused or contributed toward, or that are directly linked with Haleon Norway's operations or products via its supply chain or business partners.

To support these written requests, we have set up a dedicated email address:
human.rights@haleon.com.