

Streamlined Energy and Carbon Reporting

In line with the requirements set out in the UK Government's guidance on Streamlined Energy and Carbon Reporting (SECR), the table below represents Haleon's energy use and associated carbon emissions from electricity and fuel in the UK and the rest of the world (ROW), calculated with reference to the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard. In our 2022 reporting period, the UK accounted for 4% of our global total energy use as well as 3% of our Scope 1 and 2 emissions, outlined in the table below.

>> See Strategy from page 24

Carbon emissions from our Operations ³	2020 Baseline year			2021			2022 ¹			Third-party verification ²
	UK	ROW	Global	UK	ROW	Global	UK	ROW	Global	
Total Scope 1 emissions (thousands of tonnes CO ₂ e, including on-site fuel use, fleet mileage and refrigerant losses)	2	55	57	3	57	60	3	52	55	Yes
Total Scope 2 emissions (location- based) (thousands of tonnes CO ₂ e)	3	138	141	3	142	145	3	134	137	Yes
Total Scope 2 emissions (market- based) (thousands of tonnes CO ₂ e)	-	32	32	-	15	15	-	7	7	Yes
Total Scope 1 & 2 emissions (location-based) (thousands of tonnes CO ₂ e)	5	193	198	6	199	205	6	186	192	Yes
Total Scope 1 & 2 emissions (market-based) (thousands of tonnes CO ₂ e)	2	87	89	3	72	75	3	59	62	Yes
Total Emissions offset (thousands of tonnes CO ₂ e) ⁴	-	-	-	-	-	-	-	9	9	Yes
Total Net Scope 1 & 2 emissions (market-based) (thousands of tonnes CO ₂ e) ⁵	2	87	89	3	72	75	3	50	53	Yes
Total energy consumed in our operations (GWh)	28	648	676	31	667	698	29	647	676	Yes
Total renewable energy consumed (GWh)	16	302	318	16	309	325	15	344	359	Yes
Total renewable electricity consumed (GWh)	16	285	301	16	289	305	15	314	329	Yes
Intensity Ratio										
Emissions intensity (location-based) (tonnes of CO ₂ e per tonne of production) ⁶	-	-	-	0.16	0.58	0.54	0.15	0.55	0.51	No

¹ For the 2022 reporting period we have used data from 1 December 2021 to 30 November 2022. Data for 2020 and 2021 was restated for estimates during those reporting periods. Scope of reporting is sites over which Haleon has full operational control. We also include our site at Jacarepaguá, Brazil, which is currently under the operational control of GSK until it transitions to Haleon's operational control.

² 'Yes' indicates the selected metrics were disclosed in respect of the 2022 reporting period and have been subject to limited assurance by DNV to ISAE 3000 (revised) standards. Methodologies for reporting are provided in our Basis of Reporting.

³ Carbon emissions are expressed in carbon dioxide equivalents (CO₂e) reflecting the effective amount of CO₂ generated by all gas emissions which add to the greenhouse effect and global warming. Carbon emissions have been calculated according to the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (updated with Scope 2 guidance). For further information on the methodologies used to calculate our emissions and energy metrics please see our Basis of Reporting.

⁴ Total amount of emissions offset by reduction or removal of carbon emissions in the same country in order to compensate for part of our carbon emissions.

⁵ This calculation takes the total emissions offset in the reporting year into account.

⁶ Emissions intensity is derived from the ratio of the total Scope 1 & 2 emissions (location-based) (tCO₂e) from all sites where we have full operational control to the total metric tonnes of production in the reporting year. Jacarepaguá, Brazil, is not included in this calculation.

Energy efficiency action taken

In 2022, we focused on reducing our Scope 2 carbon emission footprint. As part of this, we invested c.£9m in procuring a solar farm in Guayama, Puerto Rico. In addition, we set up a long-term Power Purchase Agreement in Oak Hill, New York. In our 2022 reporting period, our solar electricity consumption increased by 47% versus 2021. Combined with procuring renewable electricity certificates and a modest amount of offsets to cover in-house, fossil-powered electricity generation, we have achieved our 100% renewable electricity goal at sites we own and control. To increase our capacity to generate renewable electricity ourselves, we now have solar panels installed at 12 out of 24 manufacturing sites, and more are in the pipeline. We spent more than £1m on energy reduction projects and began redesigning our sites' energy strategy by developing our technology roadmap to decarbonise our energy mix and reduce our Scope 1 carbon emissions. This new strategy, when implemented, will replace most of our fossil-fuelled boilers with electric ones to meet our 2030 goal of 100% net reduction in Scope 1 and 2 carbon emissions versus our 2020 baseline. We have allocated more than £20m to the decarbonisation fund in our capital planning process.

>> See our Basis of Reporting at www.haleon.com