HALEON - Climate Change 2023

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Haleon (LSE / NYSE: HLN) is a world-leading consumer health company, with a clear purpose to deliver better everyday health with humanity. In July 2022, it listed as an independent company on the London and New York Stock Exchanges. Haleon's portfolio spans five global categories including Oral Health, Vitamins, Minerals and Supplements (VMS), Pain Relief, Respiratory Health and Digestive Health and other. Within these categories, there are long standing-brands – such as Advil, Sensodyne, Panadol, Voltaren, Theraflu, Otrivin, Polident, parodontax and Centrum, which are used and trusted by millions of consumers around the world. These brands are built on trusted science, innovation and deep human understanding.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data and indicate whether you will be providing emissions data for past reporting years.

Reporting year

Start date
January 1 2022

End date
December 31 2022

Indicate if you are providing emissions data for past reporting years
Yes

Select the number of past reporting years you will be providing Scope 1 emissions data for
2 years

Select the number of past reporting years you will be providing Scope 2 emissions data for
2 years

Select the number of past reporting years you will be providing Scope 3 emissions data for
2 years

C0.3

(C0.3) Select the countries/areas in which you operate.
Argentina
Brazil
Canada
China
Indonesia
Ireland
Italy
Kenya
Malaysia
Mexico
Pakistan
Panama
Puerto Rico
Slovakia
South Africa
Spain
Sri Lanka
Switzerland
Taiwan, China
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.
GBP

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Operational control

C0.8

(C0.8) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?

Indicate whether you are able to provide a unique identifier for your organization	Provide your unique identifier
Yes, an ISIN code	GB00BMX86B70

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual or committee	Responsibilities for climate-related issues
Board-level committee	The Chair of the Environmental and Social Sustainability Committee is a non-Executive Board Director, and the role with responsibility for environmental and social topics and governance over progress of Haleon's environmental and social sustainability agenda. Climate-related issues are included in this scope. The committee is composed of other non-Executive directors. Haleon also has an Audit & Risk Committee (ARC) that supports the Board in risk-related responsibilities. The ARC's responsibilities include oversight of the Group's risk management system. It receives regular reports from the Head of Audit & Risk, which include climate-related risks. This structure and process is applied to Haleon's environmental, social and governance (ESG) principal risk, which covers climate-related risks. Together, the Executive Team and Heads of Audit & Risk and Ethics & Compliance form the Enterprise Risk and Compliance Committee (ERCC). Each principal risk has an assigned ERCC member responsible for designing and implementing a risk mitigation strategy and regularly reporting risk updates to both ARC and ERCC. This structure and process is applied to Haleon's environmental, social and governance (ESG) principal risk, which covers climate-related risks. This is owned by the Head of Transformation and Sustainability and monitored through Haleon's risk management framework and processes built into the global functions' and business units' day-to-day activities. The Environmental and Social Sustainability Committee was established in March 2023. In 2022, Sustainability topics were addressed by the Board. Board oversight activities in 2022 included: • Reviewed and approved the sustainability strategy and the KPIs to be adopted, included Haleon's climate strategy and goals • Considered Haleon's progress in reducing carbon emissions and steps required to deliver Company targets • Debated the role of offsetting and provided guidance on the importance of using carbon-only, science-based targets. Discussed investor expectations in relation to these important targets and provided guidance on this • Discussed the engagement across industry-wide initiatives to support Haleon's ESG strategy • Discussed suppliers, Working with responsible third parties position and the work in progress in relation to Human Rights

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – all meetings	Reviewing and guiding annual budgets Overseeing major capital expenditures Reviewing innovation/R&D priorities Overseeing and guiding employee incentives Reviewing and guiding strategy Overseeing and guiding the development of a transition plan Monitoring the implementation of a transition plan Overseeing the setting of corporate targets Monitoring progress towards corporate targets Overseeing value chain engagement Reviewing and guiding the risk management process	<Not Applicable>	The Environmental and Social Sustainability Committee of the board meets at least twice per year to provide oversight and effective governance over progress with the environmental and social sustainability agenda and the external governance and regulatory requirements relevant to these areas. The ARC and ERCC meet quarterly. The ERCC ensures that principal risks are managed effectively. The ERCC discusses principal and emerging risks, including reviewing industry trends, regulatory developments, high-profile incidents, and critical audit findings. The Environmental and Social Sustainability Committee was established in March 2023. In 2022, Sustainability topics were addressed by the Board. Board oversight activities in 2022 included: • Reviewed and approved the sustainability strategy and the KPIs to be adopted, included Haleon's climate strategy and goals • Considered Haleon's progress in reducing carbon emissions and steps required to deliver Company targets • Debated the role of offsetting and provided guidance on the importance of using carbon-only, science-based targets. Discussed investor expectations in relation to these important targets and provided guidance on this • Discussed the engagement across industry-wide initiatives to support Haleon's ESG strategy • Discussed suppliers, Working with responsible third parties position and the work in progress in relation to Human Rights

C1.1d

(C1.1d) Does your organization have at least one board member with competence on climate-related issues?

	Board member(s) have competence on climate-related issues	Criteria used to assess competence of board member(s) on climate-related issues	Primary reason for no board-level competence on climate-related issues	Explain why your organization does not have at least one board member with competence on climate-related issues and any plans to address board-level competence in the future
Row 1	Yes	The Non-Executive Directors (NED) on the Environmental and Social Sustainability Committee have a senior level of experience on ESG issues, including the Committee Chair. This has been assessed through their relevant previous experience in ESG-related activities in their executive careers, including climate-related issues. The more experienced NEDs have been exposed to ESG, including climate-related issues, on the various boards on which they have served. Haleon's Chair of the Board of Directors is also presently the Chair of the WWF-UK, taking up the position in June 2020. Two pillars of WWF-UK's strategy are averting dangerous climate change and restoring threatened habitats and species, providing exposure to climate, water, and forests-related issues. The full Haleon board has gone through a deep dive on Sustainability, including climate-related issues, and approved the Sustainability strategy and targets. The NED induction included an approach to all areas of Haleon's risk management and an understanding of the company's key disclosed risks and mitigating actions, which included climate-related matters.	<Not Applicable>	<Not Applicable>

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Position or committee
Chief Sustainability Officer (CSO)

Climate-related responsibilities of this position
Managing annual budgets for climate mitigation activities
Developing a climate transition plan
Implementing a climate transition plan
Integrating climate-related issues into the strategy
Conducting climate-related scenario analysis
Setting climate-related corporate targets
Monitoring progress against climate-related corporate targets
Assessing climate-related risks and opportunities
Managing climate-related risks and opportunities

Coverage of responsibilities
<Not Applicable>

Reporting line
CEO reporting line

Frequency of reporting to the board on climate-related issues via this reporting line
More frequently than quarterly

Please explain
Responsible business governance is an Executive Team responsibility managed via three executive-led committees. These are the Environment, the Health Inclusivity, and the Human Rights Steering Committees. Our CSO (Head of Sustainability and member of the Executive Team) chairs our Environment Steering Committee that makes strategic recommendations on managing our environmental footprint for approval by the Executive Team and the Environmental and Social Sustainability Board Committee. It also monitors climate-related issues and works to integrate our sustainability strategy into our broader organisation. The Environment Steering Committee meets every other month and regularly reviews our climate performance and other environmental metrics. It is composed of members of senior management, including the Vice President of Sustainability, representatives from our Global Category teams and business units, the Chief Supply Chain Officer, the Chief Corporate Affairs Officer, the Chief Scientific Officer, the Chief Procurement Officer, the R&D Head of Packaging, the Head of Global Ethics & Compliance plus appropriate experts from the Sustainability team. Members of the Environment Steering Committee were chosen due to their functional expertise, and ownership of and responsibility for delivering our responsible business targets, including carbon emissions reduction targets. To embed risk management in day-to-day business, a series of Compliance and Risk Forums (CRF) are run by our functional teams, Global Category teams, and business units, including the sustainability team. The Sustainability CRF is responsible for monitoring, assessing, and mitigating potential risks that may impact Haleon's responsible business strategy delivery, including risks associated with climate change. The Sustainability CRF meets monthly and includes Vice President of Sustainability. The outputs from the Sustainability CRF feed into the ERCC as detailed above.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	We use an ESG qualifier as part of our 2022 long-term incentive plan called Performance Share Plan (PSP). The Company has made commitments across carbon reduction, recycle-ready packaging, and gender diversity. These commitments have been incorporated in our incentive structure, such that the Remuneration Committee will apply an ESG qualifier at vesting of the 2022 PSP award. Working groups in our global functions, global Category teams, and business units integrate responsible business commitments into key performance indicator (KPI) management through our Responsible Business Scorecards. These KPIs include carbon emissions reduction. The Executive Team and Regional Leadership Team review these quarterly. Responsible business performance targets are built into individuals' personal objectives where it is relevant for their roles. Performance against personal objectives is used to determine, in part, annual bonuses for employees.

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive
Corporate executive team

Type of incentive
Monetary reward

Incentive(s)
Shares

Performance indicator(s)
Progress towards a climate-related target
Reduction in absolute emissions

Incentive plan(s) this incentive is linked to
Long-Term Incentive Plan

Further details of incentive(s)
We use an ESG qualifier as part of our 2022 long-term incentive plan called Performance Share Plan (PSP).

The Company has made commitments across carbon reduction, recycle-ready packaging and gender diversity. These commitments have been incorporated in our incentive structure, such that the Remuneration Committee will apply an ESG qualifier at vesting of the 2022 PSP award.

In designing the ESG qualifier, the Remuneration Committee has set thresholds for each of the three measures and, at the end of the performance period, if any of the thresholds are missed, a reduction in the level of vesting of up to 10% could be applied for each missed threshold. In addition, if the metrics are static or go backwards compared to the 2021 baseline, a 25% reduction in the level of vesting could be applied for each measure (i.e., a potential overall reduction of up to 75%).

The ESG qualifier thresholds for the 2022 PSP are as follows:
- Carbon reduction: 30% reduction in scope 1&2 carbon emissions from the 2020 level
- Recycle-ready packaging: 68% of packaging should be recycle-ready
- Gender Diversity: 44.5% of senior management should be female

In determining the vesting levels and any adjustment which should apply, the Remuneration Committee will also consider wider factors, including whether broader plans to meet Haleon's ESG commitments are on track.

Details of performance against each of the thresholds and level of reduction applied by the Remuneration Committee, if applicable, will be fully disclosed in the 2024 Directors' Remuneration Report.

The incentive rewards C-suite and senior-level employees that are eligible for participation in Haleon's Performance Share Plan.

Explain how this incentive contributes to the implementation of your organization's climate commitments and/or climate transition plan
The incentive rewards progress towards our aim to reduce our Scope 1 and 2 carbon emissions by 95% by 2030. This is one of our key efforts to reduce Haleon's climate-related impacts in our own operations.

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?
Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	20	These time horizons were used for TCFD analysis. Going forward, Haleon will look to align the time horizons to our 2030 and 2040 carbon emissions reduction targets.
Medium-term	20	50	These time horizons were used for TCFD analysis. Going forward, Haleon will look to align the time horizons to our 2030 and 2040 carbon emissions reduction targets.
Long-term	50	80	These time horizons were used for TCFD analysis. Going forward, Haleon will look to align the time horizons to our 2030 and 2040 carbon emissions reduction targets.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Haleon's procedure for risk management, including climate related risks, uses an internal control framework (ICF) methodology. ICF is based on recognised international standards (e.g., ISO31000, COSO) and is used at all levels of the organisation. The impact of a risk may be classified as low, medium, high, and very high, based on the rating of the "risk impact". Next, it is moderated by looking at "risk likelihood" that may be classified as: rare, unlikely, possible, likely, almost certain. Combining these elements produces a risk heat map and classifies the risks as 'low', 'medium', 'high', or 'very high'. We define risks classified as "medium", "high" and "very high" or based on potential financial impact of the risk to be >£40m as having a substantive financial or strategic impact on our business. The impact could be, for example, the failure to meet one or more of Haleon's strategic objectives; supply disruption or constraints in our global sourcing and supply network due to external or internal factors; or insufficient capacity leading to the inability to meet customer demand and desired service levels. Haleon's ICF helps identify, prioritise, and mitigate risks as follows. Firstly, the ICF quantifies the risk's likelihood and its impact, then it applies a series of checks and balances designed to reduce the likelihood of any risk materialising and its impact as well as tracking that planned mitigations are working.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Risk management process
Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment
More than once a year

Time horizon(s) covered
Short-term
Medium-term
Long-term

Description of process
Functional groups in Haleon, including the Sustainability team, have regular CRF meetings. The monthly Sustainability Compliance and Risk Forums (CRF) includes the Vice President of Sustainability, experts from the Sustainability team, including experts in climate, water, sustainable sourcing and nature/ biodiversity. The ESG principal risk is covered by the Sustainability CRF. The scope includes risks associated with corporate goals, reputation, reporting and risks identified by the TCFD analysis. At Haleon, continual assessment and management of risk are embedded in our strategy to achieve our long-term targets, including climate-related targets. The frequency of assessment which Sustainability CRF follows is every two months. The aim is to assess and evaluate the risks posed by the changing environments in which we operate to ensure an appropriate, measured, and timely response by considering potential impacts and most likely scenarios. The Sustainability CRF used its team of experts to map the circumstances that could lead to failure or delay in delivering our responsible business targets, including climate-related targets. This involved asking a series of questions: What could go wrong? Therefore, what risk does this create? Resulting in an impact/consequence/likelihood of? This resulted in a risk rating that guided prioritisation. This top-down process is complemented by horizon scanning to identify external trends, such as legal and regulatory developments, evolving customer and consumer expectations and opportunities, and emerging science/expert opinion. In addition, inputs from CRFs in different parts of the organisation are sought to help identify risks and opportunities. The purpose of CRFs is to stimulate the identification of short and medium-term risks using a combination of internal knowledge and external factors and to develop action plans to mitigate, transfer or accept the risks. The Sustainability CRF is dedicated to identifying and managing risks impacting the responsible business strategy, including transition and physical climate related risks. In addition, thanks to the tiered accountability for risk management across the organisation, other groups may identify climate-related risks and discharge them to the appropriate CRF where the risk is best managed (e.g., Sustainability, Procurement, Supply Chain CRFs). Identified risks are then processed to establish materiality using an internally documented process. Haleon's procedure for risk management, including climate-related risks, uses an internal control framework (ICF) methodology based on recognised international standards (e.g., ISO31000, COSO) and is used at all levels of the organisation. Haleon's ICF helps identify, prioritise, and mitigate risks as follows. Firstly, the ICF quantifies the risk's likelihood and its impact, then it applies a series of checks and balances designed to reduce the likelihood of any risk materialising and its impact as well as tracking that planned mitigations are working. Combining these elements produces a risk heat map and classifies the risks as 'low', 'medium', 'high', or 'very high'. The next step is to record the risk rating rationale and assign an action owner. With support from the Sustainability CRF's members and other relevant stakeholders, the risk owner proposes risk mitigation actions. The Sustainability CRF meets monthly and assesses the progress of risk mitigation plans to ensure these are effective and that the risk is controlled. If necessary, the Sustainability CRF can escalate unresolved issues (including climate-related issues) to senior leaders via the Environment Steering Committee and onwards to the Executive Team, ARC and the Board, if needed.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Haleon is a global healthcare company that is used to working in a highly regulated environment. For this reason, current regulations, including climate regulations, are always part of our risk assessments. Compliance with regulations related to climate are included in our Responsible Business strategy. In Haleon's first Annual Report we published our Task Force on Climate-related Financial Disclosures (TCFD) to comply with the FCA's Listing Rule. Failure to meet current regulatory requirements may lead to significant consequences such as fines, reputation loss or sales loss.
Emerging regulation	Relevant, always included	We live in a rapidly changing world, and with the uncertain nature of climate change. Therefore, it is likely that governmental response will result in fast, far-reaching changes to regulations. For this reason, relevant emerging regulations are always incorporated into our risk assessment process. In order to stay up to date with emerging regulations, Haleon has internal policy and regulation monitoring tools.
Technology	Relevant, always included	As we are a science-based healthcare company, we believe technology will support delivery of Haleon's Responsible Business strategy. For example, it could provide solutions to facilitate our decarbonisation strategy, and/or aid the creation of new, more sustainable product formulations and packaging. Therefore, technology is always part of our climate-related risks and opportunities assessment.
Legal	Relevant, always included	As well as changes to, and new regulations and laws, we monitor legal decisions and cases in key jurisdictions, and important developments which could affect Haleon are shared as part of the Sustainability CRF so that Haleon can take action accordingly.
Market	Relevant, always included	Having brands in Haleon's portfolio that are attractive to customers, shoppers and consumers and health professionals is essential, and their expectations and demand for sustainable products are increasing. We analysed the relationship between sustainability and market share and estimated potential opportunities associated with improved sustainability performance. Therefore, market is always included in our risk assessments.
Reputation	Relevant, always included	We are a science-based healthcare company, with a clear purpose to deliver better everyday health with humanity. The risk of missing our Responsible Business goals and failing to comply with laws and regulations could materially damage our reputation leading to significant financial losses. This is because consistent and compliant Responsible Business performance is important to our investors, customers, consumers and employees. Therefore, reputation is an essential part of our Sustainability CRF and is always included in our risk assessments.
Acute physical	Relevant, always included	Acute physical risks related to climate change such as floods, droughts or extreme winds were part of our TCFD analysis. This assessment covers potential acute physical impact on our business continuity by looking at direct operations (manufacturing sites locations) as well as our suppliers (for example sourcing regions for our key agricultural commodities and locations of our Third Party Manufacturing Organisations). Therefore, acute physical risks are always included in our risk assessments.
Chronic physical	Relevant, always included	Chronic physical risks related to climate change such as water stress or deterioration of working conditions were part of our TCFD analysis. This assessment covers potential chronic physical impact on our business continuity by looking at direct operations (manufacturing sites locations) as well as our suppliers (for example sourcing regions for our key agricultural commodities and locations of our Third Party Manufacturing Organisations). Therefore, chronic physical risks are always included in our risk assessments.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms

Primary potential financial impact

Increased direct costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Potential Impact

The strengthening of carbon emissions control by introducing and increasing carbon taxes could expose Haleon to an increase in direct operating costs. Haleon have manufacturing, R&D and sales operations across the globe. Carbon taxes on energy supply already exist in several countries e.g., UK and some EU countries. Haleon used two forward-looking scenarios (Consumer-led transition and Policy-led transition) to calculate the potential impact of carbon price changes in the short-term (£78-113/tCO2e by 2030). Analysis of the trends related to carbon pricing regulations found that:

— Carbon price is expected to be higher in the Policy-led transition scenario to incentivise investment in low-carbon technologies in the absence of strong market pressure.
— Carbon price will not significantly increase in the Business as Usual scenario (BAU),only geographical coverage will evolve. (BAU scenario with a +4.5°C temperature rise by 2100. In line with the Intergovernmental Panel on Climate Change (IPCC) RCP8.5 and the Network for Greening the Financial System (NGFS)
— Evolution of the sectoral coverage of the EU Emissions Trading System (ETS) and UK-ETS in 2025 is a short-term risk.
— Extension of carbon pricing regulation to new states/ provinces in the US and China is a further short-term risk in the short-term.

Time horizon

Short-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
40000000

Potential financial impact figure – maximum (currency)
80000000

Explanation of financial impact figure
Estimation is based on Haleon's scope 1 and 2 emissions considering different scenarios for carbon tax prices: £78 per tonne to estimate minimal potential financial impact and £113 per tonne to estimate maximal potential financial impact.

Cost of response to risk
50000000

Description of response and explanation of cost calculation
We have committed to reduce scope 1 and 2 carbon emissions by 95% by 2030, vs. 2020 baseline. This will mitigate our operations' exposure to future carbon pricing and environmental taxation.
Scope 1: We have completed a desktop analysis of our scope 1 footprint and created a bespoke high-level decarbonisation route map for all our manufacturing sites. From this, we have built a high-level investment plan for capital planning purposes,- which has been included in strategic planning process. In 2023 and 2024, we will develop the decarbonisation route map into a fully costed plan and detailed engineering designs that will be taken forward into execution in time to meet our targets. The decarbonisation solutions combine technologies like heat pumps, steam generators, and renewable fuels including green gas and hydrogen. In 2022, began to decouple our scope 1 emissions from growth by using more energy-efficient lighting, motors and HVAC equipment and by replacing fossil-powered boilers with electric ones.
Scope 2: In 2022 reporting period (01.12.2021-30.11.2022), we achieved 100% renewable electricity across all Haleon's sites (where we have operational control). This has been achieved by the procurement of renewable electricity via RECs, solar installation at 12 of our 24 sites and two flagship projects in North America (we invested c.£9m in procuring a solar farm in Guayama, Puerto Rico and we set up a long-term Power Purchase Agreement in Oak Hill, NY). Where we have generated electricity on site, we have procured carbon offsets to cover the use of fossil fuels. We have a small amount of municipal steam and minimal fugitive emissions remaining.
To meet our scope 1 and 2 reduction targets by 2030, we have developed a strategy and high-level cost estimate for sites in Haleon's direct operational control. This is divided into three areas and includes c.£20m capital expenditure to reduce energy consumption at source. For example: the use of more energy efficient lighting, motors, heating and ventilation control. £10m is allocated in the second area, for the installation of renewable electricity at our sites to build on the 12 of 24 manufacturing sites where we have some renewable capacity already installed. The third area, c.£20m, is for the removal/modification of fossil fueled boilers and replacement with electrified alternative heat sources.

Comment

Identifier
Risk 2

Where in the value chain does the risk driver occur?
Upstream

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms

Primary potential financial impact
Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Potential Impact:

The strengthening of carbon emissions control by introducing and increasing carbon taxes could expose Haleon to an increase in the costs of purchasing carbon-intensive raw materials. Suppliers could pass on their increase in production costs to Haleon. Haleon used two forward-looking scenarios (Consumer-led transition and Policy-led transition) to calculate the potential impact of carbon price changes in the short-term (£78-113/tCO2e by 2030). Analysis of the trends related to carbon pricing regulations found that:

— Carbon price is expected to be higher in the Policy-led transition scenario to incentivise investment in low-carbon technologies in the absence of strong market pressure.
— Carbon price will not significantly increase in the BAU scenario, only geographical coverage will evolve. (BAU scenario with a +4.5°C temperature rise by 2100. In line with the Intergovernmental Panel on Climate Change (IPCC) RCP8.5 and the Network for Greening the Financial System (NGFS).
— Evolution of the sectoral coverage of the EU Emissions Trading System (ETS) and UK-ETS in 2025 is a short-term risk.
— Extension of carbon pricing regulation to new states/ provinces in the US and China is a further short-risk in the short-term.

Time horizon
Short-term

Likelihood
Very likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
40000000

Potential financial impact figure – maximum (currency)
80000000

Explanation of financial impact figure
Estimation is based on Haleon's scope 3 carbon emissions in category “Purchased Goods and Services”. Different scenarios for carbon tax prices were considered: £78 per tonne to estimate minimal potential financial impact and £113 per tonne to estimate maximal potential financial impact.
We took the hypothesis that suppliers would transfer 40% of their carbon price to Haleon.

Cost of response to risk
60000000

Description of response and explanation of cost calculation
How it is managed:

Haleon has an ambitious aim to reduce its Scope 3 carbon emissions by 42% by 2030, versus its 2020 baseline. Carbon emissions from purchased goods and services account for over half of our carbon emissions across Scope 1, 2 and 3. We updated our 2020 scope 3 carbon emission baseline and calculated our 2022 carbon emission footprint . The result shows that in the 2022 reporting period, (1 July 2021 to 30 June 2022) our Scope 3 carbon emissions from source to sale had decreased marginally by c.5,000 tonnes, a ~0% change versus our 2020 baseline. This modest reduction in Scope 3 carbon emissions, despite strong sales volume growth and an increase in strategic inventory of raw and packaging materials linked to the Pandemic, shows we are starting to decouple business growth from Scope 3 carbon emissions. To build on this our priority focus is on reducing carbon emissions from purchased goods and services, which account for over half of our total carbon emissions across scope 1, 2, and 3. Our action plan includes working with third-party manufacturing organisations and critical raw and packaging materials suppliers to drive their transition to renewable electricity. Our medium-term action plan includes removing, reducing, and replacing carbon-intensive raw and packaging materials and is likely to require us to offset residual emissions, to achieve our aim of reducing our Scope 3 carbon emissions from source to sale by 42% by 2030, versus our 2020 baseline. To fulfil our 2040 Net Zero carbon emissions target from source to sale will require significant development work across our product portfolio and innovation in new formats and alternative raw and packaging materials. Given the development, testing and regulatory lead times associated with this, work is starting now to identify low/ no carbon sources alternatives. In this case we have a cost range estimate based on our TCFD analysis and we have selected a midpoint for the cost of response because this risk cannot be mitigated by capital expenditure.

Comment

Identifier
Risk 3

Where in the value chain does the risk driver occur?
Direct operations

Risk type & Primary climate-related risk driver

Acute physical	Other, please specify (Damage and disruption caused by extreme weather events)

Primary potential financial impact
Decreased revenues due to reduced production capacity

Climate risk type mapped to traditional financial services industry risk classification
<Not Applicable>

Company-specific description
Potential impact:

All our manufacturing sites were included in the scope of the analysis with the aim of understanding the potential impact of risks caused by acute (flooding, drought, heavy precipitation, extreme winds) and chronic (water stress, temperature variations) extreme weather events. The main outcomes were:
— Flooding risk (flash flood and riverine flooding) that may impact our largest sites remains a risk in terms of potential property damage and business interruption.
— Drought risk that may impact our largest sites remains a risk in terms of potential increase of operating expenses and capital expenditures, and reduced labour/capital productivity.
— Drought risks and temperature-induced increase in operating expenses can be exacerbated by local water stress context leading to restrictions and strengthened regulations.
Risk Sites with the highest potential exposure:
Flood: Tianjin TSKF (China), Dungarvan (Ireland), Nyon (Switzerland), Suzhou (China)
Extreme wind: Guayama (Puerto Rico), Mount Lavinia (Sri Lanka), Hsinchu (Taiwan), Suzhou (China)
Drought: Aprilia (Italy), Suzhou (China), Tianjin TSKF (China).

This physical risk is expected to have the highest potential impact under the assumptions of the BAU scenario and to materialise at the short- to mid-term time horizon.

Time horizon
Long-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
Yes, an estimated range

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
40000000

Potential financial impact figure – maximum (currency)
80000000

Explanation of financial impact figure

Modelling is based on a selection of research papers, OASIS datahub modelling framework, and European Commission analyses. Use of Haleon's property damage and business interruptions values for financial quantification. Qualitative review of coverage of key risks within Haleon's Business continuity plan and mitigation priorities.

Cost of response to risk
60000000

Description of response and explanation of cost calculation
How it is managed:
Production sites are all included within a loss-prevention survey programme and are routinely visited to ensure appropriate resilience measures are in place, including flood, wind and storm protection. A continuous improvement programme is in operation to further enhance the ability of the sites to withstand extreme weather events. Our manufacturing sites have emergency plans, disaster recovery plans (DRPs) and business continuity plans (BCPs). DRPs cover recovery plans for any type of disaster. BCPs, where appropriate (especially for sites previously affected by climate-related events, such as hurricanes (Guayama, Puerto Rico site in 2017) or floods (Nyon, Switzerland site in 2015 and 2018)), have guidelines for environmental events. We established BCPs to:
— Set out strategy and tactical steps to ensure business operations can recover in an appropriate time frames aligned with company objectives.
— Minimise supply chain impact and time disruption through effective contingency and recovery of strategies
— Allow for a quick and organised response.
Our BCPs include options for multiple sourcing for manufacturing of our products. This is achieved by using a combination of Haleon or key third-party manufacturing organisations sites spread across different geographies. This strategy is supporting Haleon's supply continuity and aims to protect revenue, margin and market share. In response to the potential increase and impact of the physical risks we regularly review our network strategy. To understand and manage water risks, we have two operational water targets which guide sites to consider their water use and impacts, and work collaboratively and transparently with others to address shared water challenges at the catchment-scale. Currently, we are working on a value-chain water footprint analysis which will help us better understand potential physical risks related to water in specific geographies and prioritise actions.

In this case we have a cost range estimate based on our TCFD analysis and we have selected a midpoint for the cost of response because this risk cannot be mitigated by capital expenditure.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?
Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier
Opp1

Where in the value chain does the opportunity occur?
Downstream

Opportunity type
Products and services

Primary climate-related opportunity driver
Shift in consumer preferences

Primary potential financial impact
Increased revenues resulting from increased demand for products and services

Company-specific description
Consumers' and customers' expectations and demand for sustainable products are increasing. We analysed the relationship between sustainability and market share and estimated potential opportunities associated with improved sustainability performance. Investing in sustainability is expected to positively impact Haleon's performance in all three scenarios we tested. In the short-term (2030), demographic evolution and regional growth differences will drive an increase in sustainably marketed products and services. Currently OECD and Europe represent the largest sustainability markets. High consumer concern for sustainability issues in emerging economies, where fast market growth is expected and among generations Z and Alpha whose purchasing power is increasing over time, will accelerate the shift toward more sustainable products. The expansion and high growth rates of retailer-led sustainable choices ranges will also drive sustainability market growth. We believe we have two opportunities in this area:
1. Opportunity to win more retailer support by leveraging our sustainability activities. Both by getting listed in sustainable choices ranges and by winning incremental display with activities such as the earth day event.
2. Increased appetite for products that are more sustainable, which is shown by most consumers but is largest amongst the groups that will grow in the future.

Time horizon
Short-term

Likelihood
Likely

Magnitude of impact
Medium

Are you able to provide a potential financial impact figure?
No, we do not have this figure

Potential financial impact figure (currency)
<Not Applicable>

Potential financial impact figure – minimum (currency)
<Not Applicable>

Potential financial impact figure – maximum (currency)
<Not Applicable>

Explanation of financial impact figure
We are currently evaluating the Business opportunity by running trials with customer and consumers.

Cost to realize opportunity

Strategy to realize opportunity and explanation of cost calculation
We strive to always meet or exceed legal requirements and the expectations and requirements of our investors, NGOs, consumers, and customers. As part of this, we are fully committed to deliver on our responsible business strategy and targets. We have carried out life cycle assessments for 11 key products across our top brands to better identify the risks and opportunities across their life cycle stages. Through collaborations with suppliers, external stakeholders, and organisations we are making progress within Scope 3 carbon emissions, sustainable sourcing and packaging workstreams which will help reduce our overall Haleon environmental impact and the impact of the key products across our top brands. Sustainability claims help make it easier for our consumers to fulfil their growing desire to buy sustainably. We are participating in externally verified sustainable choice ranges such as Amazon's Climate Pledge Friendly Programme and other customers' sustainable ranges (e.g. A.S. Watson Sustainable Choices), as well as making direct claims on our products and at point of sale. Where we do this, we see higher growth – driven by increased consumer appeal and preferential display and shelf position in retail. Our social strategy is focused on improving health inclusivity – empowering millions of people to be more included in opportunities for better everyday health. The health of people is inextricably linked to the health of the planet and our social target actions include equipping consumers and Health Professionals with advice on how to mitigate the impacts of climate change and related health impacts such as rising levels of air pollution on their everyday health.

Comment

C3. Business Strategy

C3.1

(C3.1) Does your organization's strategy include a climate transition plan that aligns with a 1.5°C world?

Row 1

Climate transition plan

No, but our strategy has been influenced by climate-related risks and opportunities, and we are developing a climate transition plan within two years

Publicly available climate transition plan

<Not Applicable>

Mechanism by which feedback is collected from shareholders on your climate transition plan

<Not Applicable>

Description of feedback mechanism

<Not Applicable>

Frequency of feedback collection

<Not Applicable>

Attach any relevant documents which detail your climate transition plan (optional)

<Not Applicable>

Explain why your organization does not have a climate transition plan that aligns with a 1.5°C world and any plans to develop one in the future

Haleon is a new company formed by a de-merger from GSK in July 2022 and we published our first disclosure against the TCFD Framework in our Annual Report 2022, and the risks and opportunities identified are shaping our decarbonisation strategy. We plan to develop our net zero transition plan that aligns with a 1.5°C world within the next year.

Explain why climate-related risks and opportunities have not influenced your strategy

<Not Applicable>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

	Use of climate-related scenario analysis to inform strategy	Primary reason why your organization does not use climate-related scenario analysis to inform its strategy	Explain why your organization does not use climate-related scenario analysis to inform its strategy and any plans to use it in the future
Row 1	Yes, qualitative and quantitative	<Not Applicable>	<Not Applicable>

C3.2a

(C3.2a) Provide details of your organization's use of climate-related scenario analysis.

Climate-related scenario	Scenario analysis coverage	Temperature alignment of scenario	Parameters, assumptions, analytical choices
Transition scenarios: Bespoke transition scenario	Company-wide	1.5ºC	Haleon used TCFD recommendations to determine risk resilience and identify the opportunities associated with transitioning to a low-carbon economy. We used three time horizons: short term (0-20 years), medium term (20-50 years) and long term (50-80 years). Going forward, Haleon will look to align the time horizons to our 2030 and 2040 carbon emissions reduction targets We used three different scenarios: — 'Business As Usual' (BAU) scenario with a +4.5°C temperature rise by 2100. In line with the Intergovernmental Panel on Climate Change (IPCC) RCP8.5 and the Network for Greening the Financial System (NGFS) scenario: Current Policies and Nationally Determined Contributions (NDCs). This scenario assumes that there will not be any breakthrough technologies or widespread use of green technologies due to limited policy incentive. Significant worsening of climate conditions makes supply chains vulnerable, commodity price volatility keep increasing. — 'Policy-led transition' scenario with a temperature rise well below 2°C by 2100. In line with IPCC RCP2.6 and the NGFS scenarios: Divergent Net Zero and Delayed Transition. This scenario assumes that the rapid change in policy will leave business little time to adapt and coordinate. This may lead to significant investments in low carbon technologies. In this context, reducing the carbon footprint is becoming a significant way to improve the competitiveness and companies start dedicating significant resources and investment to decarbonization which contributes to driving down the price of low carbon technologies. — 'Consumer-led transition' scenario with +1.5°C temperature rise by 2100. In line with IPCC RCP2.6 and the NGFS scenario: Net Zero 2050. This scenario assumes the change in consumption trends and strong increase in the sustainable and natural segment in developed and emerging market. Transformation will impact all of the supply chains and will lead to increasing cooperation between companies and their suppliers. Investment in low carbon technologies will benefit from the new demand for sustainable products. Within the scenarios, we established the key factors driving exposure to risks and opportunities: — Environmental factors: impact of climate change on business and society. — Regulatory factors: implementation of carbon-related regulation, investment in low-carbon technologies. — Competition: sustainable consumption trends, with new entrants from FMCG industries and the rise of e-commerce.
Transition scenarios: Bespoke transition scenario	Company-wide	1.6ºC – 2ºC	Haleon used TCFD recommendations to determine risk resilience and identify the opportunities associated with transitioning to a low-carbon economy. We used three time horizons: short term (0-20 years), medium term (20-50 years) and long term (50-80 years). Going forward, Haleon will look to align the time horizons to our 2030 and 2040 carbon emissions reduction targets We used three different scenarios: — 'Business As Usual' (BAU) scenario with a +4.5°C temperature rise by 2100. In line with the Intergovernmental Panel on Climate Change (IPCC) RCP8.5 and the Network for Greening the Financial System (NGFS) scenario: Current Policies and Nationally Determined Contributions (NDCs). This scenario assumes that there will not be any breakthrough technologies or widespread use of green technologies due to limited policy incentive. Significant worsening of climate conditions makes supply chains vulnerable, commodity price volatility keep increasing. — 'Policy-led transition' scenario with a temperature rise well below 2°C by 2100. In line with IPCC RCP2.6 and the NGFS scenarios: Divergent Net Zero and Delayed Transition. This scenario assumes that the rapid change in policy will leave business little time to adapt and coordinate. This may lead to significant investments in low carbon technologies. In this context, reducing the carbon footprint is becoming a significant way to improve the competitiveness and companies start dedicating significant resources and investment to decarbonization which contributes to driving down the price of low carbon technologies. — 'Consumer-led transition' scenario with +1.5°C temperature rise by 2100. In line with IPCC RCP2.6 and the NGFS scenario: Net Zero 2050. This scenario assumes the change in consumption trends and strong increase in the sustainable and natural segment in developed and emerging market. Transformation will impact all of the supply chains and will lead to increasing cooperation between companies and their suppliers. Investment in low carbon technologies will benefit from the new demand for sustainable products. Within the scenarios, we established the key factors driving exposure to risks and opportunities: — Environmental factors: impact of climate change on business and society. — Regulatory factors: implementation of carbon-related regulation, investment in low-carbon technologies. — Competition: sustainable consumption trends, with new entrants from FMCG industries and the rise of e-commerce.
Physical climate scenarios: Bespoke physical scenario	Company-wide	4.1ºC and above	Haleon used TCFD recommendations to determine risk resilience and identify the opportunities associated with transitioning to a low-carbon economy. We used three time horizons: short term (0-20 years), medium term (20-50 years) and long term (50-80 years). Going forward, Haleon will look to align the time horizons to our 2030 and 2040 carbon emissions reduction targets We used three different scenarios: — 'Business As Usual' (BAU) scenario with a +4.5°C temperature rise by 2100. In line with the Intergovernmental Panel on Climate Change (IPCC) RCP8.5 and the Network for Greening the Financial System (NGFS) scenario: Current Policies and Nationally Determined Contributions (NDCs). This scenario assumes that there will not be any breakthrough technologies or widespread use of green technologies due to limited policy incentive. Significant worsening of climate conditions makes supply chains vulnerable, commodity price volatility keep increasing. — 'Policy-led transition' scenario with a temperature rise well below 2°C by 2100. In line with IPCC RCP2.6 and the NGFS scenarios: Divergent Net Zero and Delayed Transition. This scenario assumes that the rapid change in policy will leave business little time to adapt and coordinate. This may lead to significant investments in low carbon technologies. In this context, reducing the carbon footprint is becoming a significant way to improve the competitiveness and companies start dedicating significant resources and investment to decarbonization which contributes to driving down the price of low carbon technologies. — 'Consumer-led transition' scenario with +1.5°C temperature rise by 2100. In line with IPCC RCP2.6 and the NGFS scenario: Net Zero 2050. This scenario assumes the change in consumption trends and strong increase in the sustainable and natural segment in developed and emerging market. Transformation will impact all of the supply chains and will lead to increasing cooperation between companies and their suppliers. Investment in low carbon technologies will benefit from the new demand for sustainable products. Within the scenarios, we established the key factors driving exposure to risks and opportunities: — Environmental factors: impact of climate change on business and society. — Regulatory factors: implementation of carbon-related regulation, investment in low-carbon technologies. — Competition: sustainable consumption trends, with new entrants from FMCG industries and the rise of e-commerce.

C3.2b

(C3.2b) Provide details of the focal questions your organization seeks to address by using climate-related scenario analysis, and summarize the results with respect to these questions.

Row 1

Focal questions

As a new company, Haleon's aim was to understand: What are the risks and opportunities associated with climate change and how resilient is Haleon's strategy? In 2022, we conducted a detailed analysis of our business following the TCFD recommendations. Haleon used three scenarios: Business As Usual' (BAU), Policy-led transition and Consumer-led transition.

Results of the climate-related scenario analysis with respect to the focal questions

The result of the three different scenarios is the 'Haleon Risk Universe' that contains physical and transition risks of varying degrees of materiality. Due to the dynamics of climate change, many extreme events already occurring and new regulatory requirements being introduced, we aim to have strong plans to mitigate risks and have responses to opportunities. Assumptions of the Business as Usual scenario showed what physical risks Haleon may face. This scenario is based on a temperature increase of +4.5°C (by 2100). The potential impact of "damages and disruptions caused by extreme events" and "increased price volatility of key raw materials" risks and how Haleon manages them are described in our 2022 Annual Report. The remaining physical risks identified such as "water stress related business disruptions" and "deterioration of working conditions" are on Haleon's radar. Moreover, we already address water stress by aiming to achieve water neutrality at our manufacturing sites in water-stressed basins by 2030. Assumptions of the Policy-led transition and Consumer-led transition showed what transitional risks Haleon may face. These scenarios are based on a temperature increase of well below 2°C and +1.5°C (by 2100) respectively. The potential impact of the "increasing carbon pricing regulations" and "loss of attractiveness due to consumers' increasing expectations" risks and how Haleon manages them are described in our 2022 Annual Report. The risk of "loss of attractiveness due to consumers' increasing expectations" was also shown from the perspective of opportunity. Other transition risks that are part of our Risk Universe, such as "limited ability of strategic suppliers and Third Party Manufacturing Organisations to quickly adapt to increased regulatory pressure: increase in cost and decrease in availability of raw materials" or "strengthening of climate-related regulations (corporate-level requirements and mandates on products)" are already relevant to Haleon and being addressed by the strategy.

This process was important not only from the perspective of being compliant with TCFD requirements, but, as stated in the focal question, it verified whether Haleon's strategy is responding to the risks (and opportunities) posed by climate change. It has been demonstrated that many of our targets such as: carbon emissions scope 1,2 and 3, water neutrality, plastic or sustainable sourcing targets, are important elements of risk mitigation plans.

More details can be found in our TCFD Statement in our 2022 Annual Report.

C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Evaluation in progress	Haleon has published its first disclosure against the TCFD Framework in its Annual Report 2022, and the risks and opportunities identified are shaping our decarbonisation strategy. We plan to develop our net zero transition plan that aligns with a 1.5°C world within the next year. We have commenced our Scope 3 reduction programme which is based on working with our suppliers to move to renewable energy and on a removal, reduction or replacement of high emission intensity materials where we can do so without impacting the safety, quality or efficacy of our products.
Supply chain and/or value chain	Yes	Haleon has published its first disclosure against the TCFD Framework in its Annual Report 2022, and the risks and opportunities identified are shaping our decarbonisation strategy. We plan to develop our net zero transition plan that aligns with a 1.5°C world within the next year. We have commenced our Scope 3 reduction programme based on working with our suppliers to reduce energy consumption and move to renewable energy. In H2 2021, prior to formation of Haleon we started a collaboration with Manufacture 2030 to engage our suppliers of goods and services. The intent of this engagement is to - engage our supply chain on our sustainability goals including climate goals - improve our understanding of our supply chain's environmental impact through the collection of data on carbon emissions and other sustainability impacts - identify and capture where suppliers have reduction targets which will help determine the nature of future engagements - identify and track delivery of reduction projects being undertaken by suppliers that will reduce their emissions and our value chain emissions. We leveraged the use of a third party sustainability engagement platform (Manufacture2030) and also ran our own assessment of the maturity of our suppliers on the climate journey which ranged from foundation (no carbon footprint completed or commitments set) to Leading level (Detailed footprinting including LCA/PCFs, science based target commitment and evidence of year on year progress in reductions). The use of a standardised M2030 tool will simplify and standardise data collection and action tracking of emissions reduction projects by our supply chain which will enable us to better understand how our suppliers are rising to the challenges presented by climate change. We are continuing to onboard suppliers, which began in 2021.
Investment in R&D	Not evaluated	Haleon has published our first disclosure against the TCFD Framework in Annual Report 2022, and the risks and opportunities identified are shaping our decarbonisation strategy. We plan to develop our net zero transition plan that aligns with a 1.5°C world within the next year. We have commenced our Scope 3 reduction programme which is based on working with our suppliers to remove, reduce or replace high emission intensity materials where we can do so without impacting the safety, quality or efficacy of our products. We will evaluate the potential for low or no carbon products and services as part of our transition plan.
Operations	Yes	To meet our Scope 1 and 2 emissions reduction targets by 2030, we have developed a strategy and high level cost estimate for Haleon controlled sites. This includes around £20m capital spend to reduce energy consumption at source. For example more energy efficient lighting, motors, heating and ventilation control etc. Another £10m is for the installation of renewable electricity at Haleon manufacturing sites adding to the 12 of 24 sites where we have some renewable capacity installed. The third allocation, around £20m, is for the removal or modification of fossil fuelled boilers and replacement with electrified alternative heat sources. We are on track to meet our goals having reduced Scope 1 & 2 emissions by 41% in 2022 versus 2020. In 2022, we achieved our goal to use 100% renewable electricity at all of Haleon owned and controlled sites by investing in solar capacity, Power Purchase Arrangements and Renewable electricity certificates.

C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	Capital expenditures	In order to meet our ambitious carbon emissions Scope 1 and 2 goals we have allocated sufficient capital into our financial planning to cover the costs of our decarbonisation, renewable energy and our energy reduction programme. We have incorporated shadow carbon pricing into our capital approval process (£70/tCO2e). Climate-related issues are currently being considered as part of our manufacturing site network strategy and investment plans and in the next two years we aim to integrate climate-related issues more widely into Haleon's financial planning process.

C3.5

(C3.5) In your organization's financial accounting, do you identify spending/revenue that is aligned with your organization's climate transition?

	Identification of spending/revenue that is aligned with your organization's climate transition	Indicate the level at which you identify the alignment of your spending/revenue with a sustainable finance taxonomy
Row 1	No, but we plan to in the next two years	<Not Applicable>

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?
Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number
Abs 1

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Target ambition
1.5°C aligned

Year target was set
2022

Target coverage
Company-wide

Scope(s)
Scope 1
Scope 2

Scope 2 accounting method
Location-based

Scope 3 category(ies)
<Not Applicable>

Base year
2020

Base year Scope 1 emissions covered by target (metric tons CO2e)
57137

Base year Scope 2 emissions covered by target (metric tons CO2e)
31775

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
<Not Applicable>

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
88912

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
100

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
100

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
<Not Applicable>

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
95

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
4445.6

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
54933

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
7023

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
61957

Does this target cover any land-related emissions?
Yes, it covers land-related CO2 emissions/removals associated with bioenergy and non-land related emissions (e.g. non-FLAG SBT with bioenergy)

% of target achieved relative to base year [auto-calculated]
31.9120975914683

Target status in reporting year
New

Please explain target coverage and identify any exclusions
Haleon submitted its interim carbon emissions scope 1,2 and 3 targets to SBTi in September 2022. They are currently being validated. There are no exclusions from the target as it covers all areas within our operational control. The target boundary includes biogenic land-related emissions and removals from bioenergy feedstocks.

Plan for achieving target, and progress made to the end of the reporting year
Whilst Haleon's gross scope 1 and 2 emissions were 61,957 tco2e, Haleon purchased 9,269 tco2e of offsets to cover emissions from steam at our Suzhou plants, electricity from CHP on one site and diesel to back up our electricity generation. This allowed us to report net scope 1 & 2 emissions of 52,706 tco2e and a 41% reduction in net scope 1 & 2 market based emissions in 2022 against our 2020 baseline of 88,912.
((52,706 - 88,912) / 88912) = 40.74%

Haleon increased the % renewable electricity consumption from 86% in 2021 to 100% in 2022. Haleon intends to continue sourcing all its electricity from renewable sources as this is a key driver of our reduction activities. Other initiatives that we are currently implementing include the switch to electric boilers on several of our plants and the increase in solar electricity generation capacity.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

Target reference number
Abs 2

Is this a science-based target?
Yes, we consider this a science-based target, and the target is currently being reviewed by the Science Based Targets initiative

Target ambition
1.5°C aligned

Year target was set
2022

Target coverage
Company-wide

Scope(s)
Scope 3

Scope 2 accounting method
<Not Applicable>

Scope 3 category(ies)
Category 1: Purchased goods and services
Category 2: Capital goods
Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2)
Category 4: Upstream transportation and distribution
Category 5: Waste generated in operations
Category 8: Upstream leased assets
Category 9: Downstream transportation and distribution

Base year
2020

Base year Scope 1 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 2 emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target (metric tons CO2e)
1044913

Base year Scope 3, Category 2: Capital goods emissions covered by target (metric tons CO2e)
48830

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target (metric tons CO2e)
36420

Base year Scope 3, Category 4: Upstream transportation and distribution emissions covered by target (metric tons CO2e)
22476

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target (metric tons CO2e)
3204

Base year Scope 3, Category 6: Business travel emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target (metric tons CO2e)
101468

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target (metric tons CO2e)
33610

Base year Scope 3, Category 10: Processing of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target (metric tons CO2e)
1290921

Total base year emissions covered by target in all selected Scopes (metric tons CO2e)
1290921

Base year Scope 1 emissions covered by target as % of total base year emissions in Scope 1
<Not Applicable>

Base year Scope 2 emissions covered by target as % of total base year emissions in Scope 2
<Not Applicable>

Base year Scope 3, Category 1: Purchased goods and services emissions covered by target as % of total base year emissions in Scope 3, Category 1: Purchased goods and services (metric tons CO2e)
100

Base year Scope 3, Category 2: Capital goods emissions covered by target as % of total base year emissions in Scope 3, Category 2: Capital goods (metric tons CO2e)
100

Base year Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions covered by target as % of total base year emissions in Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
100

Base year Scope 3, Category 4: Upstream transportation and distribution covered by target as % of total base year emissions in Scope 3, Category 4: Upstream transportation and distribution (metric tons CO2e)
100

Base year Scope 3, Category 5: Waste generated in operations emissions covered by target as % of total base year emissions in Scope 3, Category 5: Waste generated in operations (metric tons CO2e)
100

Base year Scope 3, Category 6: Business travel emissions covered by target as % of total base year emissions in Scope 3, Category 6: Business travel (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 7: Employee commuting covered by target as % of total base year emissions in Scope 3, Category 7: Employee commuting (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 8: Upstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 8: Upstream leased assets (metric tons CO2e)
100

Base year Scope 3, Category 9: Downstream transportation and distribution emissions covered by target as % of total base year emissions in Scope 3, Category 9: Downstream transportation and distribution (metric tons CO2e)
100

Base year Scope 3, Category 10: Processing of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 10: Processing of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 11: Use of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 11: Use of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 12: End-of-life treatment of sold products emissions covered by target as % of total base year emissions in Scope 3, Category 12: End-of-life treatment of sold products (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 13: Downstream leased assets emissions covered by target as % of total base year emissions in Scope 3, Category 13: Downstream leased assets (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 14: Franchises emissions covered by target as % of total base year emissions in Scope 3, Category 14: Franchises (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Category 15: Investments emissions covered by target as % of total base year emissions in Scope 3, Category 15: Investments (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (upstream) emissions covered by target as % of total base year emissions in Scope 3, Other (upstream) (metric tons CO2e)
<Not Applicable>

Base year Scope 3, Other (downstream) emissions covered by target as % of total base year emissions in Scope 3, Other (downstream) (metric tons CO2e)
<Not Applicable>

Base year total Scope 3 emissions covered by target as % of total base year emissions in Scope 3 (in all Scope 3 categories)
73.6

Base year emissions covered by target in all selected Scopes as % of total base year emissions in all selected Scopes
100

Target year
2030

Targeted reduction from base year (%)
42

Total emissions in target year covered by target in all selected Scopes (metric tons CO2e) [auto-calculated]
748734.18

Scope 1 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 2 emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 1: Purchased goods and services emissions in reporting year covered by target (metric tons CO2e)
1073835

Scope 3, Category 2: Capital goods emissions in reporting year covered by target (metric tons CO2e)
56473

Scope 3, Category 3: Fuel-and-energy-related activities (not included in Scopes 1 or 2) emissions in reporting year covered by target (metric tons CO2e)
54374

Scope 3, Category 4: Upstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
29654

Scope 3, Category 5: Waste generated in operations emissions in reporting year covered by target (metric tons CO2e)
3190

Scope 3, Category 6: Business travel emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 7: Employee commuting emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 8: Upstream leased assets emissions in reporting year covered by target (metric tons CO2e)
36756

Scope 3, Category 9: Downstream transportation and distribution emissions in reporting year covered by target (metric tons CO2e)
31650

Scope 3, Category 10: Processing of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 11: Use of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 12: End-of-life treatment of sold products emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 13: Downstream leased assets emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 14: Franchises emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Category 15: Investments emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (upstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Scope 3, Other (downstream) emissions in reporting year covered by target (metric tons CO2e)
<Not Applicable>

Total Scope 3 emissions in reporting year covered by target (metric tons CO2e)
1285932

Total emissions in reporting year covered by target in all selected scopes (metric tons CO2e)
1285932

Does this target cover any land-related emissions?
No, it does not cover any land-related emissions (e.g. non-FLAG SBT)

% of target achieved relative to base year [auto-calculated]
0.920162537333534

Target status in reporting year
New

Please explain target coverage and identify any exclusions
In 2022, Haleon set a target aligned with the Science Based Targets initiative (SBTi) guidance to reduce its scope 3 emissions by 42% by 2030. The target covers areas which we can influence to make emissions reductions.

Plan for achieving target, and progress made to the end of the reporting year
In our 2022 reporting period (1 July 2021 to 30 June 2022), our Scope 3 carbon emissions from source to sale decreased marginally by about 5,000 tonnes, a 0% change from our 2020 baseline (1 January 2020 to 31 December 2020). This modest reduction in Scope 3 carbon emissions, despite strong sales volume growth and an increase in strategic inventory of raw and packaging materials linked to the Pandemic, shows we are starting to decouple business growth from Scope 3 carbon emissions.
To achieve Haleon's goal to reduce scope 3 emissions by 42% by 2030 versus 2020, reductions will be delivered through projects such as: the transition to 100% renewable electricity for us and our suppliers, decarbonization, development of new products with low carbon intensities using our Impact Assessment Tool, Manufacture 2030 to help suppliers map their carbon emissions and take actions to reduce them by switching to renewable energy and making efficiency improvements, and by identifying low or zero greenhouse gas alternatives to raw & packaging material feedstocks.

List the emissions reduction initiatives which contributed most to achieving this target
<Not Applicable>

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?
Target(s) to increase low-carbon energy consumption or production
Net-zero target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number
Low 1

Year target was set
2022

Target coverage
Company-wide

Target type: energy carrier
Electricity

Target type: activity
Consumption

Target type: energy source
Renewable energy source(s) only

Base year
2020

Consumption or production of selected energy carrier in base year (MWh)
354620

% share of low-carbon or renewable energy in base year
85

Target year
2022

% share of low-carbon or renewable energy in target year
100

% share of low-carbon or renewable energy in reporting year
100

% of target achieved relative to base year [auto-calculated]
100

Target status in reporting year
Achieved

Is this target part of an emissions target?
This target is in furtherance of our emissions reduction target because our plan to achieve 95% reduction in scope 1 & 2 relies partly on our continued consumption of electricity from renewable sources.

Is this target part of an overarching initiative?
No, it's not part of an overarching initiative

Please explain target coverage and identify any exclusions
The target covers all sites within Haleon's operational control and has no exclusions.

Plan for achieving target, and progress made to the end of the reporting year
<Not Applicable>

List the actions which contributed most to achieving this target
The actions which contributed to achieving this target includes
1) The increase in our Renewable electricity purchases from 299 GWH in 2020 to 326 GWH in 2022. This helped us increase our renewable electricity from 85% in 2020 to 100% in 2022.
2) We also increased our on-site renewable electricity generation capacity from 2 GWH in 2020 to 4 GWH in 2022 through the installation of more solar generating units on our sites..

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number
NZ1

Target coverage
Company-wide

Absolute/intensity emission target(s) linked to this net-zero target
Abs1
Abs2

Target year for achieving net zero
2040

Is this a science-based target?
No, but we anticipate setting one in the next two years

Please explain target coverage and identify any exclusions
Haleon submitted its interim carbon emissions scope 1,2 and 3 targets to SBTi in September 2022. They are currently being validated. By committing to the interim target, Haleon also commits to setting a net zero goal aligned to SBTi guidance by September 2024.
Scope 3 target excludes categories: 6,7,10,11,12,13,14,15.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?
Yes

Planned milestones and/or near-term investments for neutralization at target year
We aim to achieve Net Zero carbon emissions from source to sale by 2040, aligned to guidance from The Climate Pledge and Race to Zero. Various initiatives will contribute to this reduction, including transitioning to 100% renewable electricity for ourselves and our suppliers, decarbonizing, creating new products with low carbon intensity using our Sustainability Impact Assessment Tool, and utilizing Manufacture 2030 to assist our suppliers in mapping their carbon emissions and taking actions to lower them. These actions may include switching to renewable energy, enhancing efficiency, and identifying low or zero greenhouse gas alternatives to raw and packaging material feedstocks.

To offset our remaining emissions, we have taken several steps, including investing in nature-based carbon removal initiatives that are linked to enhancing biodiversity. These initiatives not only help to remove carbon but are also positive for the environment. For instance, we planted native species on 50,000 hectares of previously barren land in Qianbei, China, as part of an afforestation project. Additionally, we provided 50,000 solar cookers in Henan Funiushan to reduce coal usage for home cooking. These endeavors enabled us to neutralize 9,269 tco2e of carbon emissions, and we will continue to explore opportunities to offset our emissions and achieve our objectives.

Planned actions to mitigate emissions beyond your value chain (optional)

Target reference number
NZ3

Target coverage
Company-wide

Absolute/intensity emission target(s) linked to this net-zero target
Abs1
Abs2

Target year for achieving net zero
2050

Is this a science-based target?
Yes, we consider this a science-based target, and we have committed to seek validation of this target by the Science Based Targets initiative in the next two years

Please explain target coverage and identify any exclusions
Haleon submitted its interim carbon emissions scope 1,2 and 3 targets to SBTi in September 2022. They are currently being validated. By committing to the interim target, Haleon also commits to setting a net zero goal aligned to SBTi guidance by September 2024.
Scope 3 target excludes categories: 6,7,10,11,12,13,14,15.

Do you intend to neutralize any unabated emissions with permanent carbon removals at the target year?
Yes

Planned milestones and/or near-term investments for neutralization at target year
Haleon's aim to reach net zero on climate involves reducing emissions by approximately 90% by the year 2050 as compared to 2020. Various initiatives will contribute to this reduction, including transitioning to 100% renewable electricity for ourselves and our suppliers, decarbonizing, creating new products with low carbon intensity using our Sustainability Impact Assessment Tool, and utilizing Manufacture 2030 to assist our suppliers in mapping their carbon emissions and taking actions to lower them. These actions may include switching to renewable energy, enhancing efficiency, and identifying low or zero greenhouse gas alternatives to raw and packaging material feedstocks.

To offset our remaining emissions, we have taken several steps, including investing in nature-based carbon removal initiatives that are linked to enhancing biodiversity. These initiatives not only help to remove carbon but are also positive for the environment. For instance, we planted native species on 50,000 hectares of previously barren land in Qianbei, China, as part of an afforestation project. Additionally, we provided 50,000 solar cookers in Henan Funiushan to reduce coal usage for home cooking. These endeavors enabled us to neutralize 9,269 tco2e of carbon emissions, and we will continue to explore opportunities to offset our emissions and achieve our objectives.

Planned actions to mitigate emissions beyond your value chain (optional)

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation		
To be implemented*	139	19679
Implementation commenced*	87	17905
Implemented*	86	6775
Not to be implemented	53	1774

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in buildings	Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO2e savings (metric tonnes CO2e)
2047

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
748095

Investment required (unit currency – as specified in C0.4)
1500000

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment
We are currently putting in place a robust system to track all monetary savings and the estimated lifetime of emissions reduction projects.

Initiative category & Initiative type

Energy efficiency in buildings	Lighting

Estimated annual CO2e savings (metric tonnes CO2e)
166

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
112656

Investment required (unit currency – as specified in C0.4)
340000

Payback period
1-3 years

Estimated lifetime of the initiative
11-15 years

Comment
We are currently putting in place a robust system to track all monetary savings and the estimated lifetime of emissions reduction projects.

Initiative category & Initiative type

Energy efficiency in buildings	Combined heat and power (cogeneration)

Estimated annual CO2e savings (metric tonnes CO2e)
11129.87

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
0

Investment required (unit currency – as specified in C0.4)
1500000

Payback period
4-10 years

Estimated lifetime of the initiative
11-15 years

Comment
We are currently putting in place a robust system to track all monetary savings and the estimated lifetime of emissions reduction projects. The CHP (combined heat and power) system is not yet operational due to the local authority approval.

Initiative category & Initiative type

Energy efficiency in buildings	Motors and drives

Estimated annual CO2e savings (metric tonnes CO2e)
26

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
14802

Investment required (unit currency – as specified in C0.4)
44000

Payback period
1-3 years

Estimated lifetime of the initiative
11-15 years

Comment
We are currently putting in place a robust system to track all monetary savings and the estimated lifetime of emissions reduction projects.

Initiative category & Initiative type

Other, please specify	Other, please specify (This includes air compressor and chiller upgrades, heat pump installation, improved metering at some of our sites)

Estimated annual CO2e savings (metric tonnes CO2e)
843

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
359248

Investment required (unit currency – as specified in C0.4)
1400000

Payback period
4-10 years

Estimated lifetime of the initiative
6-10 years

Comment
We are currently putting in place a robust system to track all monetary savings and the estimated lifetime of emissions reduction projects.

Initiative category & Initiative type

Energy efficiency in production processes	Process optimization

Estimated annual CO2e savings (metric tonnes CO2e)
709

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 1
Scope 2 (location-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
480840

Investment required (unit currency – as specified in C0.4)
960000

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment
We are currently putting in place a robust system to track all monetary savings and the estimated lifetime of emissions reduction projects.

Initiative category & Initiative type

Low-carbon energy generation	Solar PV

Estimated annual CO2e savings (metric tonnes CO2e)
811

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
420748

Investment required (unit currency – as specified in C0.4)
1700000

Payback period
4-10 years

Estimated lifetime of the initiative
21-30 years

Comment
We are currently putting in place a robust system to track all monetary savings and the estimated lifetime of emissions reduction projects.

Initiative category & Initiative type

Energy efficiency in production processes	Reuse of steam

Estimated annual CO2e savings (metric tonnes CO2e)
2173

Scope(s) or Scope 3 category(ies) where emissions savings occur
Scope 2 (location-based)
Scope 2 (market-based)

Voluntary/Mandatory
Voluntary

Annual monetary savings (unit currency – as specified in C0.4)
775838

Investment required (unit currency – as specified in C0.4)
1500000

Payback period
1-3 years

Estimated lifetime of the initiative
6-10 years

Comment
We are currently putting in place a robust system to track all monetary savings and the estimated lifetime of emissions reduction projects.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Financial optimization calculations	Haleon's sustainability and engineering teams prioritize investments in sustainability initiatives based on the amount of carbon dioxide equivalent (kgCO2(e)) saved per unit of currency invested (£).
Employee engagement	We promote engagement with our sustainability objectives across the organization by utilizing various community of practice programs. In addition to regular communications to all employees about their contribution to our goals.
Compliance with regulatory requirements/standards	Haleon's approach is to adhere to prescribed regulatory obligations and benchmarks.
Internal incentives/recognition programs	Haleon links sustainability performance with objectives of employees at all levels. Haleon also provides awards across the company based on sustainability performance. In addition, our manufacturing divisions have their own awards programs to recognise leading sustainability performance.
Please select	

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products.

Level of aggregation

Product or service

Taxonomy used to classify product(s) or service(s) as low-carbon

No taxonomy used to classify product(s) or service(s) as low carbon

Type of product(s) or service(s)

Other	Other, please specify (Toothpaste)

Description of product(s) or service(s)

We measured reduction of carbon footprint for selected SKUs of Sensodyne and Sensodyne Pronamel toothpaste manufactured at a particular manufacturing site by comparing LCA results based on data from "reduction year" vs. "baseline year".

Have you estimated the avoided emissions of this low-carbon product(s) or service(s)

Yes

Methodology used to calculate avoided emissions

Other, please specify (ISO 14067:2018)

Life cycle stage(s) covered for the low-carbon product(s) or services(s)

Cradle-to-grave

Functional unit used

100ml of toothpaste

Reference product/service or baseline scenario used

As a baseline scenario Haleon used carbon footprints (calculated by LCA tools in line with ISO 14067:2018) of functional units calculated based on data from 2019. We used data from 2019 to compare with data from the year in which we introduced carbon footprint reduction initiatives. The reduction is in the range from 0.002131 kg CO2e per functional unit to 0.01328 kg CO2e per functional unit; as an answer to 'Estimated avoided emissions' we decided to provide the smallest reduction obtained.

Life cycle stage(s) covered for the reference product/service or baseline scenario

Cradle-to-grave

Estimated avoided emissions (metric tons CO2e per functional unit) compared to reference product/service or baseline scenario

0.000002131

Explain your calculation of avoided emissions, including any assumptions

To model the product life cycle from cradle to grave inputs and primary data on materials and processes were gathered on the production years 2019 and 2021. The widely used Ecoinvent and Idemat databases were used to provide secondary data and model sub-processes. Based on the inputs environmental impacts were calculated according to the IPCC GWP100 and Environmental Footprint (EF). The tool adheres to ISO 14040/44 and ISO 14067 standards where possible.

Haleon will be able to report on revenue generated from low-carbon products in CDP Climate change 2023.

Revenue generated from low-carbon product(s) or service(s) as % of total revenue in the reporting year

0

C5. Emissions methodology

C5.1

(C5.1) Is this your first year of reporting emissions data to CDP?
Yes

C5.2

(C5.2) Provide your base year and base year emissions.

Scope 1

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
57137

Comment

Scope 2 (location-based)

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
140609

Comment

Scope 2 (market-based)

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
31775

Comment

Scope 3 category 1: Purchased goods and services

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
1044913

Comment

Scope 3 category 2: Capital goods

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
48830

Comment

Scope 3 category 3: Fuel-and-energy-related activities (not included in Scope 1 or 2)

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
36420

Comment

Scope 3 category 4: Upstream transportation and distribution

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
22476

Comment

Scope 3 category 5: Waste generated in operations

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
3204

Comment

Scope 3 category 6: Business travel

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
15602

Comment

Scope 3 category 7: Employee commuting

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
44001

Comment

Scope 3 category 8: Upstream leased assets

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
101468

Comment

Scope 3 category 9: Downstream transportation and distribution

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
33610

Comment

Scope 3 category 10: Processing of sold products

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment
Not applicable

Scope 3 category 11: Use of sold products

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
344260

Comment

Scope 3 category 12: End of life treatment of sold products

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
30265

Comment

Scope 3 category 13: Downstream leased assets

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment
Not applicable

Scope 3 category 14: Franchises

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment
Not applicable

Scope 3 category 15: Investments

Base year start
January 1 2020

Base year end
December 31 2020

Base year emissions (metric tons CO2e)
29681

Comment

Scope 3: Other (upstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment
Not applicable

Scope 3: Other (downstream)

Base year start

Base year end

Base year emissions (metric tons CO2e)

Comment
Not applicable

C5.3

(C5.3) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO2e?

Reporting year

Gross global Scope 1 emissions (metric tons CO2e)

54933

Start date

January 1 2022

End date

December 31 2022

Comment

Our 2022 reporting period covers 1 January to 31 December 2022. We use data from December 2021 as a proxy for December 2022.

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

59807

Start date

January 1 2021

End date

December 31 2021

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

57137

Start date

January 1 2020

End date

December 31 2020

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based
136560

Scope 2, market-based (if applicable)
7024

Start date
January 1 2022

End date
December 31 2022

Comment
Our 2022 reporting period covers 1 January to 31 December 2022. We use data from December 2021 as a proxy for December 2022.

Past year 1

Scope 2, location-based
144913

Scope 2, market-based (if applicable)
15024

Start date
January 1 2021

End date
December 31 2021

Comment

Past year 2

Scope 2, location-based
140609

Scope 2, market-based (if applicable)
31775

Start date
January 1 2020

End date
December 31 2020

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1, Scope 2 or Scope 3 emissions that are within your selected reporting boundary which are not included in your disclosure?
No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
1073835

Emissions calculation methodology
Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0.1

Please explain
Haleon uses a hybrid approach to calculate its scope 3 emissions from purchased goods and services, making use of a combination of upstream lifecycle assessment data and economic input-output factors (spend-based approach).
We use volume data (raw materials and packaging in tonnes) or spend data where purchased volumes are not available.

Upstream lifecycle emissions data from a variety of sources was used for Active Materials and Raw Materials and emissions data from DEFRA was used for Packaging and Water Supply.

Emissions associated with services were calculated using a bespoke tool from our consultants (ERM). The tool adjusts spend-based emissions factors for the exchange rate, inflation and energy decarbonization between the time the emissions factors were originally published and the time of the footprint assessment (based on a world average).

Whilst a majority of our emissions were calculated using the above methodology, in cases where a supplier emission factor was present, this was used to calculate the emissions from materials procured from that supplier.

Capital goods

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
56473

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions associated with Capital spend were calculated using a bespoke tool by our consultants (ERM). The tool adjusts spend-based emissions factors for the exchange rate, inflation and industry decarbonization between the time the emissions factors were originally published and the time of the footprint assessment. Capital goods account for ~3% of our value chain footprint.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
54374

Emissions calculation methodology
Fuel-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Well-to-tank emissions factors from DEFRA 2020 were applied to Haleon’s energy and fuel consumption data
For electricity T&D losses, the IEA 2020 T&D loss factor for the "world" average was applied. Scope 3 fuel/energy activities account for ~3% of our value chain footprint.

Upstream transportation and distribution

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
29654

Emissions calculation methodology
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Emissions from Upstream transportation and distribution were calculated using the spend-based method in Category 1, Purchased Goods & Services for spend that was clearly solely relating to transportation and distribution services (freight). Emissions from upstream transport and distribution <1% of our value chain footprint.

Waste generated in operations

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)

Emissions calculation methodology
Waste-type-specific method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Haleon's Scope 3 waste emissions are based on the primary data reported by our sites.
DEFRA emissions factors were applied to waste data by end of life and the treatment of waste water. A commercial and industrial waste factor was applied for all solid waste. Where no end-of-life data was available, an assumption of end-of-life split was made based on World Bank statistics.

Business travel

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
3881

Emissions calculation methodology
Spend-based method
Distance-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Haleon obtained data for different modes of business travel and calculated the emissions as follows:
Hotel stays: The DEFRA emissions factor was applied to data on the number of room nights for the relevant country. An average DEFRA factor was calculated across all countries with an available factor and applied to all stays where a DEFRA factor was unavailable for the country of stay.
Train travel: From distance data Journeys were classified into "international rail" if outside UK or "national rail" if departure and destination were both in UK. The relevant DEFRA emissions factor was applied to rail journey distance for national rail and international rail journeys.
Flights: The appropriate DEFRA emissions factor for travel class and distance (short-haul and long-haul) was applied to each flight individually.
Car rental & taxi spend: a spend-based emissions factor was applied to spend on taxis and rental cars that has been scaled to account for inflation and decarbonization of the sector since the emissions factors were originally published.
Fuel spend: IEA global average fuel price for diesel & petrol was combined with DEFRA emissions factor average across petrol & diesel to create emissions factor estimate per $ spend on fuel and applied to the spend data
Company cars: This was based on the average distance travelled and number of Haleon vehicles for business purposes. DEFRA emissions factor for average vehicle of unknown fuel (WTT + TTW) was applied.

Emissions from business travel account for less than 15% of our value chain emissions

Employee commuting

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
42784

Emissions calculation methodology
Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
100

Please explain
Haleon uses the Greenhouse Gas Protocol Scope 3 Screening Tool (Quantis) to calculate emissions from employee commutes applied to the total FTE in each country. The headcount data comes from our HR database.

Emissions from employee commutes accounts for about 2% of our total value chain emissions

Upstream leased assets

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
36756

Emissions calculation methodology
Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
The EU building energy consumption per m2 value was used to calculate the kWh consumption of upstream leased assets based on the area of leased building and the % occupancy of Haleon. The EU Share of energy in consumption for buildings was used to split the leased asset energy consumption into energy sources. Emissions factors from DEFRA for fuel and IEA for grid electricity (including T&D losses) were applied to the adjusted split of energy for the leased assets by country.

Emissions from upstream leased assets account for less than 2% of our total value chain emissions

Downstream transportation and distribution

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
31650

Emissions calculation methodology
Hybrid method
Average data method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
As per GHG Protocol Scope 3 Calculation Guidance, where data on downstream transportation is not available, it is acceptable to use average data from reputable sources such as EUROSTAT. The tonnage of goods distributed downstream of Haleon was calculated as a sum of products sold (weight) + sum of packaging (weight) in purchased goods & services data. This sold product weight was converted to road freight distance on the assumption that each road freight journey moves 14.3 tonnes an average over 139km (EUROSTAT). A return empty journey (also 139km) was also included, as per the recommendations of the Global Logistics Emissions Council. The DEFRA average HGV emissions factor was applied to total calculated km to provide a conservative estimate of emissions (some downstream Transport and Distribution could be expected to take place on rail infrastructure, but in the absence of actual data, the most conservative approach was taken).

Emissions from downstream transport and distribution accounts for less than 2% of our total value chain emissions.

Processing of sold products

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Haleon does not manufacture products for onward processing by 3rd parties.

Use of sold products

Evaluation status
Relevant, calculated

Emissions in reporting year (metric tons CO2e)
339201

Emissions calculation methodology
Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Haleon uses a hybrid method to calculate emissions from the use of its products from both direct and indirect use.
Haleon conducted research into the number of doses and the consumption of ambient and hot liquids based on dosing or product instructions.
Further research was done to calculate the energy consumption associated with heating liquids in a kettle or microwave, depending on product instructions
DEFRA factors for water supply and wastewater treatment were applied to the total water consumption associated with product sales.
IEA global average factor for energy supply and transportation and distribution was applied to energy consumption associated with heating of liquids.

End of life treatment of sold products

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
32392

Emissions calculation methodology
Hybrid method
Spend-based method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
Haleon uses procurement data on tonnage of packaging to calculate emissions from end of life treatment of sold products. This was split by packaging materials (e.g. aluminium, glass, HDPE) and associated tonnage. Various sources were consulted to understand global average end-of-life treatment for materials. Where specific information was not available, the World Bank average data for all waste was used. For material-specific information, if only recycling rate was available for the material, a 80:20 split between landfill and incineration for remainder of end of life was assumed (as per World Bank 2016 report)
Where no specific information on packaging material was available or if packaging is made of combined materials or non-recyclable material, the global average for all waste was used.

Emissions from end of life treatment of sold products accounts for less than 2% of our total value chain emissions.

Downstream leased assets

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Haleon does not lease downstream assets

Franchises

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Haleon does not run franchise operations

Investments

Evaluation status
Not relevant, calculated

Emissions in reporting year (metric tons CO2e)
16899

Emissions calculation methodology
Hybrid method

Percentage of emissions calculated using data obtained from suppliers or value chain partners
0

Please explain
The MSCI All Countries World Index weighted average carbon intensity was applied to the total value of Haleon pensions to calculate the emissions from investments.

It accounts for less than 1% of our total value chain emissions.

Other (upstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Haleon does not have other (upstream) emissions

Other (downstream)

Evaluation status
Not relevant, explanation provided

Emissions in reporting year (metric tons CO2e)
<Not Applicable>

Emissions calculation methodology
<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners
<Not Applicable>

Please explain
Haleon does not have other (downstream) emissions

C6.5a

(C6.5a) Disclose or restate your Scope 3 emissions data for previous years.

Past year 1

Start date
January 1 2021

End date
December 31 2021

Scope 3: Purchased goods and services (metric tons CO2e)
1101663

Scope 3: Capital goods (metric tons CO2e)
79492

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
52044

Scope 3: Upstream transportation and distribution (metric tons CO2e)
37271

Scope 3: Waste generated in operations (metric tons CO2e)
3289

Scope 3: Business travel (metric tons CO2e)
3629

Scope 3: Employee commuting (metric tons CO2e)
42022

Scope 3: Upstream leased assets (metric tons CO2e)
101716

Scope 3: Downstream transportation and distribution (metric tons CO2e)
39607.999

Scope 3: Processing of sold products (metric tons CO2e)
0

Scope 3: Use of sold products (metric tons CO2e)
338453

Scope 3: End of life treatment of sold products (metric tons CO2e)
30814

Scope 3: Downstream leased assets (metric tons CO2e)
0

Scope 3: Franchises (metric tons CO2e)
0

Scope 3: Investments (metric tons CO2e)
0

Scope 3: Other (upstream) (metric tons CO2e)
0

Scope 3: Other (downstream) (metric tons CO2e)
0

Comment
These data represent our 2021 scope-3 carbon emissions and were published in our 2022 Annual Report

Past year 2

Start date
January 1 2020

End date
December 31 2020

Scope 3: Purchased goods and services (metric tons CO2e)
1044913

Scope 3: Capital goods (metric tons CO2e)
48830

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2) (metric tons CO2e)
36420

Scope 3: Upstream transportation and distribution (metric tons CO2e)
22476

Scope 3: Waste generated in operations (metric tons CO2e)
3204

Scope 3: Business travel (metric tons CO2e)
15602

Scope 3: Employee commuting (metric tons CO2e)
44001

Scope 3: Upstream leased assets (metric tons CO2e)
101468

Scope 3: Downstream transportation and distribution (metric tons CO2e)
33610

Scope 3: Processing of sold products (metric tons CO2e)
0

Scope 3: Use of sold products (metric tons CO2e)
344260

Scope 3: End of life treatment of sold products (metric tons CO2e)
30265

Scope 3: Downstream leased assets (metric tons CO2e)
0

Scope 3: Franchises (metric tons CO2e)
0

Scope 3: Investments (metric tons CO2e)
29681

Scope 3: Other (upstream) (metric tons CO2e)
0

Scope 3: Other (downstream) (metric tons CO2e)
0

Comment
These data represent our 2020 scope-3 carbon emissions (our baseline) and were published in our 2022 Annual Report

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?
No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure
0.0000056841

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
61957

Metric denominator
unit total revenue

Metric denominator: Unit total
10900000000

Scope 2 figure used
Market-based

% change from previous year
28

Direction of change
Decreased

Reason(s) for change
Change in renewable energy consumption
Other emissions reduction activities

Please explain
Scope 1 & 2 emissions in 2021 =74,831 tonnes CO2e; revenue = £9,500,000,000 intensity = 0.00000787694; Scope 1&2 emissions in 2022 = 61,957 tonnes CO2e; revenue = £10,900,000,000 ; intensity =0.0000056841. There was a 27.8% reduction in scope 1&2 carbon emission intensity. From 2021 to 2022 there was a 17.2% reduction in gross global scope 1 and 2 market based emissions, whilst revenue increased by 14.7%. The primary driver in the reduction in market-based scope 1 & 2 emissions was the increase in use of renewable electricity. In 2022, Renewable electricity sourced was increased by 8% bringing Haleon's total imported renewable electricity to 100%.

Intensity figure
0.51

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)
188905

Metric denominator
metric ton of product

Metric denominator: Unit total
368362

Scope 2 figure used
Location-based

% change from previous year
6

Direction of change
Decreased

Reason(s) for change
Other emissions reduction activities

Please explain
There was a 6% reduction in the intensity. From 2021 to 2022 there was a 6% reduction in gross global scope 1 and 2 location-based emissions. The primary driver in the reduction in market-based scope 1&2 emissions was the closure of some sites and the energy efficiency projects including an increase in solar electricity generation.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?
Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	54933	IPCC Fifth Assessment Report (AR5 – 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/area/region.

Country/area/region	Scope 1 emissions (metric tons CO2e)
Argentina	1397
Brazil	1333
Canada	8996
China	2592
Indonesia	393
Ireland	1025
Italy	5435
Kenya	685
Malaysia	316
Mexico	94
Pakistan	3365
Panama	0
Philippines	35
Puerto Rico	9468
Slovakia	909
South Africa	1172
Spain	549
Sri Lanka	265
Switzerland	2702
Taiwan, China	828
United Kingdom of Great Britain and Northern Ireland	2583
United States of America	10791

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
On site fuel use	53431
Emissions from refrigerant gas losses	0.9
Emissions from sales fleet vehicles	0.6

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/area/region.

Country/area/region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Argentina	2262	0
Brazil	1254	0
Canada	3257	0
China	33455	6797
Indonesia	2429	0
Ireland	5678	0
Italy	3986	0
Kenya	120	0
Malaysia	4671	0
Mexico	957	0
Pakistan	2333	0
Panama	1423	0
Philippines	569	0
Puerto Rico	32054	0
Slovakia	1443	0
South Africa	10705	0
Spain	717	0
Sri Lanka	740	0
Switzerland	343	0
Taiwan, China	2704	0
United Kingdom of Great Britain and Northern Ireland	2952	0
United States of America	22507	227

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Purchased electricity	129536	0
Purchased steam/hot water	7023	7023

C7.7

(C7.7) Is your organization able to break down your emissions data for any of the subsidiaries included in your CDP response?

No

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change in emissions	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	8630	Decreased	11.5	In 2022 Renewable imported electricity was 326 GWh which was an increase from 303 GWh in 2021. Haleon increased its % of renewable energy from 47% to 55% and % renewable electricity consumption from 86% in 2021 to 100% in 2022. This resulted in a decrease of market-based scope 2 emissions from electricity of 8,630 tonnes CO2e. Haleon's total scope 1&2 market-based emissions in 2021 were 74,831 tonnes CO2e; 8,630 tonnes CO2e is 11.5% of 74,831 tonnes CO2e (8,630/74,831 = 11.5%)
Other emissions reduction activities	6775	Decreased	9	Emissions reduction projects (6,775 t CO2e) at a number of sites contributed to our emissions reduction vs Our 2021 total market based emissions. 6775/74831=9%
Divestment	3574	Decreased	4.8	A number of Haleon sites left the network during 2021. In 2021 these sites reported 3,574 tonnes of CO2 of emissions. 3574 tonnes is 4.8% of 2021 emissions which were 74,831 tonnes CO2e (3574/74,831 = 4.8%)
Acquisitions		<Not Applicable>		Not applicable
Mergers		<Not Applicable>		Not applicable
Change in output		<Not Applicable>		Not applicable
Change in methodology		<Not Applicable>		Not applicable
Change in boundary		<Not Applicable>		Not applicable
Change in physical operating conditions		<Not Applicable>		Not applicable
Unidentified		<Not Applicable>		Not applicable
Other		<Not Applicable>		Not applicable

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Market-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	No
Consumption of purchased or acquired steam	Yes
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	LHV (lower heating value)	30093	275818	275818
Consumption of purchased or acquired electricity	<Not Applicable>	325670	0	325670
Consumption of purchased or acquired heat	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired steam	<Not Applicable>	0	41140	41140
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	3742	<Not Applicable>	3742
Total energy consumption	<Not Applicable>	358891	317228	675849

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	Yes

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Sustainable biomass

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
0

Comment

Other biomass

Heating value
LHV

Total fuel MWh consumed by the organization
30093

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
30093

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
0

Comment
This includes biomass for the generation of heat at our Dungarvan plant

Other renewable fuels (e.g. renewable hydrogen)

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
0

Comment

Coal

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
0

Comment

Oil

Heating value
LHV

Total fuel MWh consumed by the organization
28027

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
0

Comment
This includes the total energy from fuel oil for all applications in the reporting period

Gas

Heating value
LHV

Total fuel MWh consumed by the organization
247791

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
0

Comment
This includes the total energy from natural gas for all applications in the reporting period

Other non-renewable fuels (e.g. non-renewable hydrogen)

Heating value
Unable to confirm heating value

Total fuel MWh consumed by the organization
0

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
0

Comment

Total fuel

Heating value
LHV

Total fuel MWh consumed by the organization
652962

MWh fuel consumed for self-generation of electricity
0

MWh fuel consumed for self-generation of heat
0

MWh fuel consumed for self-generation of steam
<Not Applicable>

MWh fuel consumed for self-generation of cooling
<Not Applicable>

MWh fuel consumed for self- cogeneration or self-trigeneration
0

Comment
This includes biomass, fuel oil, LPG and natural gas for all applications

C8.2d

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	13596	13596	3742	3742
Heat	30093	30093	30093	30093
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero or near-zero emission factor in the market-based Scope 2 figure reported in C6.3.

Country/area of low-carbon energy consumption
Spain

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
4689

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Spain

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Italy

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
15042

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Italy

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Argentina

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
8285

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Argentina

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Philippines

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
803

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Philippines

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
South Africa

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
11586

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
South Africa

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Mexico

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
2398

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Mexico

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Puerto Rico

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
44909

Tracking instrument used
US-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Puerto Rico

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Ireland

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
21345

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Ireland

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Taiwan, China

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
4953

Tracking instrument used
Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute
China

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption

Brazil

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
13489

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Brazil

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Indonesia

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
3151

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Indonesia

Are you able to report the commissioning or re-powering year of the energy generation facility?
Yes

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
2020

Comment

Country/area of low-carbon energy consumption
Pakistan

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
5922

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
India

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Malaysia

Sourcing method

Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
7176

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Malaysia

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Slovakia

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
11182

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Slovakia

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
United States of America

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
20058

Tracking instrument used
Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
United Kingdom of Great Britain and Northern Ireland

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier

Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
13115

Tracking instrument used
REGO

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Sri Lanka

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Hydropower (capacity unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
1222

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Sri Lanka

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Switzerland

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
14281

Tracking instrument used
GO

Country/area of origin (generation) of the low-carbon energy or energy attribute
Switzerland

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Kenya

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type

Solar

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
1969

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Uganda

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
United States of America

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
12649

Tracking instrument used
Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Panama

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
4312

Tracking instrument used
I-REC

Country/area of origin (generation) of the low-carbon energy or energy attribute
Brazil

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
United States of America

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)

13926

Tracking instrument used
Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Canada

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
27145

Tracking instrument used
Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute
Canada

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
United States of America

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
15078

Tracking instrument used
Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
China

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (Any renewable technology except biomass)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
17912

Tracking instrument used

Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute
China

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
China

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
15660

Tracking instrument used
Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute
United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
Taiwan, China

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
9847

Tracking instrument used
Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute
China

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
United States of America

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Wind

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
1405

Tracking instrument used
Contract

Country/area of origin (generation) of the low-carbon energy or energy attribute

United States of America

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

Country/area of low-carbon energy consumption
United Kingdom of Great Britain and Northern Ireland

Sourcing method
Unbundled procurement of energy attribute certificates (EACs)

Energy carrier
Electricity

Low-carbon technology type
Renewable energy mix, please specify (The specific low-carbon technology type is unknown)

Low-carbon energy consumed via selected sourcing method in the reporting year (MWh)
2179

Tracking instrument used
REGO

Country/area of origin (generation) of the low-carbon energy or energy attribute
United Kingdom of Great Britain and Northern Ireland

Are you able to report the commissioning or re-powering year of the energy generation facility?
No

Commissioning year of the energy generation facility (e.g. date of first commercial operation or repowering)
<Not Applicable>

Comment

C8.2g

(C8.2g) Provide a breakdown by country/area of your non-fuel energy consumption in the reporting year.

Country/area
Argentina

Consumption of purchased electricity (MWh)
8285

Consumption of self-generated electricity (MWh)
42

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
8327

Country/area
Brazil

Consumption of purchased electricity (MWh)
13489

Consumption of self-generated electricity (MWh)
315

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
13804

Country/area

Canada

Consumption of purchased electricity (MWh)
27145

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
27145

Country/area
China

Consumption of purchased electricity (MWh)
43418

Consumption of self-generated electricity (MWh)
846

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
39810

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
84074

Country/area
Indonesia

Consumption of purchased electricity (MWh)
3150

Consumption of self-generated electricity (MWh)
23

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
3173

Country/area
Ireland

Consumption of purchased electricity (MWh)
21345

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
21345

Country/area
Italy

Consumption of purchased electricity (MWh)
15042

Consumption of self-generated electricity (MWh)
895

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
15937

Country/area
Kenya

Consumption of purchased electricity (MWh)
1969

Consumption of self-generated electricity (MWh)
781

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
2750

Country/area
Malaysia

Consumption of purchased electricity (MWh)
7176

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
7176

Country/area
Mexico

Consumption of purchased electricity (MWh)
2398

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
2398

Country/area
Pakistan

Consumption of purchased electricity (MWh)
5922

Consumption of self-generated electricity (MWh)
1463

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
7385

Country/area
Panama

Consumption of purchased electricity (MWh)
4312

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
4312

Country/area
Philippines

Consumption of purchased electricity (MWh)
803

Consumption of self-generated electricity (MWh)
2

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
805

Country/area
Puerto Rico

Consumption of purchased electricity (MWh)
44893

Consumption of self-generated electricity (MWh)
5811

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
50704

Country/area
Slovakia

Consumption of purchased electricity (MWh)
11182

Consumption of self-generated electricity (MWh)
10

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
11192

Country/area
South Africa

Consumption of purchased electricity (MWh)
11586

Consumption of self-generated electricity (MWh)
2970

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
14556

Country/area
Spain

Consumption of purchased electricity (MWh)
4689

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
4689

Country/area
Sri Lanka

Consumption of purchased electricity (MWh)
1222

Consumption of self-generated electricity (MWh)
437

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
1659

Country/area
Switzerland

Consumption of purchased electricity (MWh)
14281

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
14281

Country/area

Taiwan, China

Consumption of purchased electricity (MWh)
4953

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
4953

Country/area
United Kingdom of Great Britain and Northern Ireland

Consumption of purchased electricity (MWh)
15294

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
0

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
15294

Country/area
United States of America

Consumption of purchased electricity (MWh)
63115

Consumption of self-generated electricity (MWh)
0

Is this electricity consumption excluded from your RE100 commitment?
<Not Applicable>

Consumption of purchased heat, steam, and cooling (MWh)
1330

Consumption of self-generated heat, steam, and cooling (MWh)
0

Total non-fuel energy consumption (MWh) [Auto-calculated]
64445

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

Description
Other, please specify

Metric value

Metric numerator

Metric denominator (intensity metric only)

% change from previous year

Direction of change
<Not Applicable>

Please explain

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	No third-party verification or assurance

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
independent-assurance-statement-esg-reporting-hub-2022.pdf

Page/ section reference
1-2

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach
Scope 2 market-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
independent-assurance-statement-esg-reporting-hub-2022.pdf

Page/ section reference
1-2

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

Scope 2 approach
Scope 2 location-based

Verification or assurance cycle in place
Annual process

Status in the current reporting year
Complete

Type of verification or assurance
Limited assurance

Attach the statement
independent-assurance-statement-esg-reporting-hub-2022.pdf

Page/ section reference
1-2

Relevant standard
ISAE3000

Proportion of reported emissions verified (%)
100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?
Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C4. Targets and performance	Energy consumption	ISAE 3000 limited assurance	DNV assured Haleon's electricity disclosures including our % Renewable electricity (including renewable electricity purchases and offsets)
C6. Emissions data	Progress against emissions reduction target	ISAE 3000 limited assurance	DNV also assure Haleon's net scope 1& 2 carbon emissions performance and progress against our targets
C4. Targets and performance	Energy consumption	ISAE 3000 limited assurance	DNV assured Haleon's energy disclosures including our % Renewable energy (including renewable energy purchases and offsets)

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C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?
Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.
Other carbon tax, please specify (Haleon pays carbon taxes automatically, where these are integrated into energy and gas bills for example CCL)

C11.1c

(C11.1c) Complete the following table for each of the tax systems you are regulated by.

Other carbon tax, please specify

Period start date
December 1 2021

Period end date
November 30 2022

% of total Scope 1 emissions covered by tax
4

Total cost of tax paid
66654.17

Comment
The Climate Change Levy (CCL) only applies to our UK operations. CCL is charged on all non-domestic utility bills. The rate is set by the UK Government and rises each year. CCL is integrated into Haleon's electricity and gas bills.

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

Haleon pays carbon taxes that are integrated into our electricity and gas (and any other taxable commodity) bills. We have committed to reduce scope 1 and 2 carbon emissions by 95% by 2030, vs. 2020 baseline. This target is underpinned by a 95% absolute reduction target. This will mitigate our operations' exposure to carbon taxation. To meet our scope 1 and 2 reduction targets by 2030, we have developed a strategy and high-level cost estimate for our controlled sites.

C11.2

(C11.2) Has your organization canceled any project-based carbon credits within the reporting year?
No

C11.3

(C11.3) Does your organization use an internal price on carbon?
No, but we anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?
Yes, our suppliers
Yes, our customers/clients
Yes, other partners in the value chain

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement
Information collection (understanding supplier behavior)

Details of engagement
Collect GHG emissions data at least annually from suppliers
Collect targets information at least annually from suppliers
Collect other climate related information at least annually from suppliers

% of suppliers by number
0.5

% total procurement spend (direct and indirect)
19

% of supplier-related Scope 3 emissions as reported in C6.5
62

Rationale for the coverage of your engagement
Haleon prioritises carbon emission reduction for 16 raw and packaging materials which account for nearly 60% of our Purchased Goods & Services emissions, the biggest driver of our footprint. During 2022 we engaged 84 suppliers.

Impact of engagement, including measures of success
In H2 2021, prior to formation of Haleon we started a collaboration with Manufacture 2030 to engage our suppliers of goods and services. The intent of this engagement is to
- engage our supply chain on our sustainability goals including climate goals
- improve our understanding of our supply chain's environmental impact through the collection of data on carbon emissions and other sustainability impacts
- identify and capture where suppliers have reduction targets which will help determine the nature of future engagements
- identify and track delivery of reduction projects being undertaken by suppliers that will reduce their emissions and our value chain emissions.

We leveraged the use of a third party sustainability engagement platform (Manufacture2030) and also ran our own assessment of the maturity of our suppliers on the climate journey which ranged from foundation (no carbon footprint completed or commitments set) to Leading level (Detailed footprinting including LCA/PCFs, science based target commitment and evidence of year on year progress in reductions).

The use of a standardised M2030 tool will simplify and standardise data collection and action tracking of emissions reduction projects by our supply chain which will enable us to better understand how our suppliers are rising to the challenges presented by climate change.
The collaboration with Manufacture 2030 was launched near the end of 2021. We tracked successful launch of the programme as the measure of success, with the first supplier on-boarding to the platform before the year end.

Comment

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement & Details of engagement

Education/information sharing	Run an engagement campaign to education customers about your climate change performance and strategy

% of customers by number
5

% of customer - related Scope 3 emissions as reported in C6.5
0.1

Please explain the rationale for selecting this group of customers and scope of engagement
The retailers represented in the scope of our engagement to date are based on both size, representing a large portion of our company sales, and strategic position. In terms of strategic position, our initial engagement has focused on retailers that are open to ESG initiatives, have ESG programs of their own or who have been proactively asking for information. Our efforts to engage with customers have focused mainly on sharing our ambitions and identifying areas of mutual goals and partnership opportunities.

Impact of engagement, including measures of success
The impact of our engagement to date has been socialization of Haleon's Responsible Business strategy with key retail partners, networking with subject matter experts within retailer organizations, partnering discussions, promotional events, participation in sustainability industry forums and participation in select sustainable choice ranges. Our threshold for success is measured by increasing the number of sustainability-focused meetings held with retailers, increasing instances of in-market sustainability activation, and is also measured by improving external retailer survey scores year over year, in which engaged retailers have already provided positive feedback on our ESG ambitions and efforts

C12.1d

(C12.1d) Give details of your climate-related engagement strategy with other partners in the value chain.

We understand that industry and peer collaboration is key to tackling carbon emissions at scale, which is why Haleon is a member of a range of industry groups and peer collaborations where best practices are shared, common ways of requesting and gathering supplier data are mutually recognised and collaborative projects are enabled. These forums include the Pharmaceutical Supply Chain Initiatives (PSCI) environment and scope 3 working groups, the Sustainable Procurement Pledge (SPP), AIM-Progress, The Self Care Federation Supply Chain Emissions working group, the Indirect Spend Alliance and the Consumer Goods Client Connect (a peer group of Consumer Goods Manufacture2030 customers facilitated by Manufacture2030).

C12.2

(C12.2) Do your suppliers have to meet climate-related requirements as part of your organization's purchasing process?

No, but we plan to introduce climate-related requirements within the next two years

C12.3

(C12.3) Does your organization engage in activities that could either directly or indirectly influence policy, law, or regulation that may impact the climate?

Row 1

External engagement activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

Yes, our membership of/engagement with trade associations could influence policy, law, or regulation that may impact the climate

Does your organization have a public commitment or position statement to conduct your engagement activities in line with the goals of the Paris Agreement?

Yes

Attach commitment or position statement(s)

https://www.haleon.com/content/dam/haleon/corporate/documents/who-we-are/governance/Haleon-Climate-action.pdf.downloadasset.pdf

Describe the process(es) your organization has in place to ensure that your external engagement activities are consistent with your climate commitments and/or climate transition plan

We are committed to working with policymakers and policy partners in the interests of consumers, innovation, and public health, and in compliance with local and international laws. Our approach to political advocacy is underpinned by our Haleon values and standards to safeguard the integrity, transparency, and accountability of our activity. We have mandatory training programmes in place which support the internal controls we have in place to ensure all political advocacy activity is undertaken for legitimate purposes and is conducted appropriately and ethically. More information can be found in our Haleon public position on political advocacy.

Primary reason for not engaging in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

Explain why your organization does not engage in activities that could directly or indirectly influence policy, law, or regulation that may impact the climate

<Not Applicable>

C12.3b

(C12.3b) Provide details of the trade associations your organization is a member of, or engages with, which are likely to take a position on any policy, law or regulation that may impact the climate.

Trade association
Consumer Goods Forum (CGF)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
The Consumer Goods Forum is committed to rallying non-state actors across the global economy to take rigorous and immediate action to halve global emissions by 2030 and deliver a healthier, fairer zero carbon world through the Race to Zero (RtZ) - a UN-backed global campaign. This campaign commits members to the same overarching goal: reducing emissions across all scopes swiftly and fairly in line with the Paris Agreement, with transparent action plans and robust near-term targets.
Haleon has committed to significant near-term carbon reduction by 2030, and Net Zero source to sale carbon emissions by 2040 aligned to guidance from The Climate Pledge and Race to Zero.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Forum for the Future)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
No, we did not attempt to influence their position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
Forum for the Future is playing a role in tackling three key global challenges: keeping global warming to 1.5C; ensuring the sustainability of our food systems; and helping to make the supply chains we rely on for good and services more resilient and equitable. They tackle the interconnected nature of these challenges by: working alongside pioneering organisations to develop strategies that will help them change themselves and the systems around them; convening global cross-sectoral collaborations around key issues; and equipping organisations and individuals with the skills needed to take meaningful action.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

Trade association
Other, please specify (Global Self Care Federation)

Is your organization's position on climate change policy consistent with theirs?
Consistent

Has your organization attempted to influence their position in the reporting year?
Yes, we publicly promoted their current position

Describe how your organization's position is consistent with or differs from the trade association's position, and any actions taken to influence their position
Haleon has signed up to GSCF's Charter for Environmentally Sustainable Self-Care, the first industry-wide climate action resolution issued by the consumer health sector. By promoting best practices and advising on regulatory standards, the Charter seeks to minimise environmental impacts, without compromising on health outcomes, product safety and access to consumers. The Charter calls on members of GSCF to commit to concrete pledges addressing the three priority areas: 'Plastics & Packaging', 'Pharmaceuticals in the Environment' and 'CO2 Footprint'.
Within the CO2 Footprint taskforce charter, members are encouraged to reduce carbon emissions through Science-Based Targets (SBTs) to keep warming below 1.5°C degrees above pre-industrial levels, in line with the Paris Agreement. In addition, the group looks to provide a platform for the industry to better understand and reduce Scope 3 emissions. Haleon's position is consistent with this charter as we have submitted our Scope 1, 2 and 3 goals to the Science Based Targets Initiative for verification and have registered our commitment to Net Zero.
We have helped to influence the position of the GSCF through connecting the industry group to other collaboration initiatives such as the Pharmaceutical Supply Chain Initiative (PSCI) and recognised platforms which collect supply chain scope 3 emissions including Manufacture2030 to ensure that a consistent approach is taken to collecting information from suppliers across industry groups and trade associations.

Funding figure your organization provided to this trade association in the reporting year (currency as selected in C0.4)

Describe the aim of your organization's funding
<Not Applicable>

Have you evaluated whether your organization's engagement with this trade association is aligned with the goals of the Paris Agreement?
Yes, we have evaluated, and it is aligned

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication
In mainstream reports, incorporating the TCFD recommendations

Status
Complete

Attach the document
Haleon-AR-2022.pdf.downloadasset.pdf

Page/Section reference
TCFD : 28-35
SECR: 199

Content elements
Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets
Other metrics

Comment

C12.5

(C12.5) Indicate the collaborative frameworks, initiatives and/or commitments related to environmental issues for which you are a signatory/member.

	Environmental collaborative framework, initiative and/or commitment	Describe your organization's role within each framework, initiative and/or commitment
Row 1	Race to Zero Campaign Task Force on Climate-related Financial Disclosures (TCFD) The Climate Pledge UN Global Compact Other, please specify (Manufacture 2030)	Haleon is a signatory of The Climate Pledge and UN Global Compact. We are aligned to Race to Zero through our signature to The Climate Pledge. Haleon issued its first TCFD disclosure as part of 2022 Annual Report, Haleon is also a TCFD supporter. We are collaborating with Manufacture 2030 and industry peers to help suppliers map their carbon emissions and switch to using renewables.

C15. Biodiversity

C15.1

(C15.1) Is there board-level oversight and/or executive management-level responsibility for biodiversity-related issues within your organization?

	Board-level oversight and/or executive management-level responsibility for biodiversity-related issues	Description of oversight and objectives relating to biodiversity	Scope of board-level oversight
Row 1	Yes, both board-level oversight and executive management-level responsibility	The Environmental and Social Sustainability Committee of the board meets at least twice per year to provide oversight and effective governance over progress with the environmental and social sustainability agenda and the external governance and regulatory requirements relevant to these areas. One of their responsibilities includes reviewing progress against targets on environmental and social sustainability issues, including those related to biodiversity. Responsible business governance is an Executive Team responsibility managed via three executive-led committees. These are the Environment, the Health Inclusivity, and the Human Rights Steering Committees. Our CSO (Head of Sustainability and member of the Executive Team) chairs our Environment Steering Committee that makes strategic recommendations on managing our environmental footprint for approval by the Executive Team and the Environmental and Social Sustainability Board Committee. This includes biodiversity-related topics.	<Not Applicable>

C15.2

(C15.2) Has your organization made a public commitment and/or endorsed any initiatives related to biodiversity?

	Indicate whether your organization made a public commitment or endorsed any initiatives related to biodiversity	Biodiversity-related public commitments	Initiatives endorsed
Row 1	Yes, we have made public commitments only	Other, please specify (Sustainably sourced and deforestation-free commitment for key agricultural, marine and forest-derived materials.)	<Not Applicable>

C15.3

(C15.3) Does your organization assess the impacts and dependencies of its value chain on biodiversity?

Impacts on biodiversity

Indicate whether your organization undertakes this type of assessment
Yes

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
SBTN materiality tool

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
We have used the SBTN sector materiality tool to assess our potential impacts and dependencies on biodiversity, related to our sector. The scope of this assessment was across our value chain: direct operations, upstream, and downstream. Where there were gaps in data availability in the SBTN materiality tool, these were supplemented with literature review and subject matter expertise from UNEP-WCMC. This exercise was run with guidance and methodology from UNEP-WCMC as a dedicated scope of work for GSK Consumer Healthcare, prior to the demerger.

Dependencies on biodiversity

Indicate whether your organization undertakes this type of assessment
Yes

Value chain stage(s) covered
Direct operations
Upstream
Downstream

Portfolio activity
<Not Applicable>

Tools and methods to assess impacts and/or dependencies on biodiversity
SBTN materiality tool

Please explain how the tools and methods are implemented and provide an indication of the associated outcome(s)
We have used the SBTN sector materiality tool to assess our potential impacts and dependencies on biodiversity, related to our sector. The scope of this assessment was across our value chain: direct operations, upstream, and downstream. Where there were gaps in data availability in the SBTN materiality tool, these were supplemented with literature review and subject matter expertise from UNEP-WCMC. This exercise was run with guidance and methodology from UNEP-WCMC as a dedicated scope of work for GSK Consumer Healthcare, prior to the demerger.

C15.4

(C15.4) Does your organization have activities located in or near to biodiversity- sensitive areas in the reporting year?
Not assessed

C15.5

(C15.5) What actions has your organization taken in the reporting year to progress your biodiversity-related commitments?

	Have you taken any actions in the reporting period to progress your biodiversity-related commitments?	Type of action taken to progress biodiversity- related commitments
Row 1	Yes, we are taking actions to progress our biodiversity-related commitments	Land/water management

C15.6

(C15.6) Does your organization use biodiversity indicators to monitor performance across its activities?

	Does your organization use indicators to monitor biodiversity performance?	Indicators used to monitor biodiversity performance
Row 1	No	Please select

C15.7

(C15.7) Have you published information about your organization's response to biodiversity-related issues for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Report type	Content elements	Attach the document and indicate where in the document the relevant biodiversity information is located
In mainstream financial reports	Content of biodiversity-related policies or commitments	https://www.haleon.com/content/dam/haleon/corporate/documents/investors/annual-report-2022/Haleon-AR-2022.pdf.downloadasset.pdf Page 24, our update on 'sourcing trusted ingredients sustainably.'

C16. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C16.1

(C16.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer (CEO)	Chief Executive Officer (CEO)

Submit your response

In which language are you submitting your response?
English

Please confirm how your response should be handled by CDP

	I understand that my response will be shared with all requesting stakeholders	Response permission
Please select your submission options	Yes	Public

Please confirm below
I have read and accept the applicable Terms