



# DNV

WHEN TRUST MATTERS

## Independent Limited Assurance Report

### to the Directors of Haleon plc

Haleon plc ("Haleon") commissioned DNV Business Assurance Services UK Limited ("DNV", "us" or "we") to conduct a limited assurance engagement over Selected Information presented on the Haleon website (as at 19 June 2023) and in the Environmental, Social and Governance (ESG) Databook 2022 (the "Reports") for the period 1 December 2021 to 30 November 2022.



**Our Conclusion:** Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria.

This conclusion relates only to the Selected Information, and is to be read in the context of this Independent Limited Assurance Report, in particular the inherent limitations explained overleaf.

Our observations and areas for improvement will be raised in a separate report to Haleon Management. Selected observations are provided below. These observations do not affect our conclusion set out above.

- We observed a firm commitment from Haleon towards the accuracy of sustainability reporting. Haleon investigated all identified data discrepancies at both a Group and Site level, introducing measures to improve data controls. To further demonstrate a commitment to robust reporting, Haleon may wish to consider including additional indicators and performance against targets within the scope of assurance in future reporting cycles.
- We found immaterial errors in the energy data that Haleon corrected prior to publication. To mitigate any input errors into the Global Reporting Platform, EHSONe, we recommend that the Group team periodically reconcile site-level data to source evidence. Haleon should also consider reducing the threshold requiring sites to provide commentary on monthly variances, which would help improve the identification of data discrepancies.
- The current reporting year includes carbon offsetting for the first time as part of the reported 'Reduction in net Scope 1 & 2 carbon emissions from the 2020 baseline', 'Total renewable electricity' and 'Total renewable energy' calculations. We recommend that Haleon formally documents and reviews its offsetting strategy annually.
- During our site visits, we noted that the data collection and consolidation from source predominately relied on manual procedures. To improve the robustness of site-level reporting, we recommend that Haleon introduce automated processes and use systems-based solutions where possible. Sites should further ensure they have formalised data collection methodologies for all reported KPIs as to ensure the consistency and replicability of data reporting.

### Selected information

The scope and boundary of our work is restricted to the 2022 sustainability performance measures included within the Report (the "Selected Information") as listed below:

#### Energy and Carbon emissions

- Total energy consumed for operations (676 GWh)
- % renewable electricity (100%)
- Total renewable energy consumed (359 GWh)
- % renewable energy (55%)
- Scope 1 GHG emissions (55 thousands of tonnes CO<sub>2</sub>e)
- Scope 2 location-based GHG emissions (137 thousands of tonnes CO<sub>2</sub>e)
- Scope 2 market-based GHG emissions (7 thousands of tonnes CO<sub>2</sub>e)
- Total Scope 1 & 2 location-based GHG emissions (191 thousands of tonnes CO<sub>2</sub>e)
- Total Scope 1 & 2 market-based GHG emissions (62 thousands of tonnes CO<sub>2</sub>e)
- Total Net Scope 1 & 2 market-based GHG emissions (53 thousands of tonnes CO<sub>2</sub>e)
- Reduction in Net Scope 1 & 2 market-based GHG emissions from the 2020 baseline (41%)

#### H&S

- Fatalities (0 for employees and contractors)
- Reportable Injury and Illness rate (0.17 per 100,000 hours worked)
- Lost Time Reportable Injury and Illness rate (0.10 per 100,000 hours worked)

#### Waste

- Total waste to landfill (0 thousand tonnes)
- Total waste generated (34.63 thousand tonnes)

#### Water

- Total water withdrawal (2.22million m<sup>3</sup>)

### Our competence, independence and quality control

DNV established policies and procedures are designed to ensure that DNV, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. Our multi-disciplinary team consisted of professionals with a combination of sustainability assurance experience.

### DNV Business Assurance

DNV Business Assurance Services UK Limited is part of DNV – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance.

[www.dnv.co.uk/BetterAssurance](https://www.dnv.co.uk/BetterAssurance)



To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Reports, we have used the HALEON Basis of Reporting (the “Criteria”), which can be found [here](#).

We have not performed any work, and do not express any conclusion, on any other information that may be published on the HALEON website or in the ESG Databook 2022 that is not marked with an \* and explicitly identified as Assured by DNV for the current reporting period or for previous periods.

Standard and level of assurance

We performed a **limited** assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2015 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced but not reduced to very low.

Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information; our work included, but was not restricted to:

- Conducting interviews with HALEON management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Site visits to Maidenhead, UK and Guayama, Puerto Rico, to review the processes and systems for preparing site-level data consolidated centrally. DNV were free to choose the sites based on their materiality across the overall portfolio;
- Performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported;
- Reviewing that the evidence, measurements and their scope provided to us by HALEON for the Selected Information is prepared in line with the Criteria;
- Assessing the appropriateness of the Criteria for the Selected Information; and
- Reading the Reports and narrative accompanying the Selected Information within it with regard to the Criteria.

Inherent limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities. Our assurance relies on the premise that the data and information provided to us by HALEON have been provided in good faith. DNV expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Independent Limited Assurance Report.

Responsibilities of the Directors of HALEON and DNV

The Directors of HALEON have sole responsibility for:

- Preparing and presenting the Selected information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Reports and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to HALEON in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained. We have not been responsible for the preparation of the Reports.

DNV Business Assurance Services UK Limited

London, UK  
19 June 2023

