

**HALEON**

# **Sustainable packaging**

Our Haleon position



## **Background**

Packaging is essential to delivering our products to consumers. We choose the most appropriate formats and materials for our packaging to create an inclusive user experience for our consumers and meet all safety, quality, and regulatory requirements, ensuring product effectiveness for the full shelf life. Many of these formats and materials are, by necessity, high-performance and high-quality. This comes with a responsibility to use them efficiently. Across our packaging, we're working to minimise waste and associated pollution by driving a circular model – so that the materials we use can stay in-use – while reducing our dependency on non-renewable sources.

### **Using less virgin petroleum-based plastic**

**We aim to reduce our use of virgin petroleum-based plastic by a third by 2030, with a 10% reduction by 2025 (versus our 2020 baseline).**

While Haleon has a significantly lower plastic packaging footprint relative to peers<sup>i</sup>, plastic is one of the materials we use to deliver trusted products to our consumers. Going forwards, we will continue to use it as an intelligently eco-designed solution where it is the right material to protect our products and deliver them to consumers.

We recognise that under the linear 'take, make, waste' model – where virgin materials are used to produce packaging that is ultimately thrown away after usage – there are growing challenges to the natural world.<sup>ii</sup> In line with the principles of the circular economy<sup>iii</sup>, an important step we can take is adopting eco-design approaches for our packaging, helping us to design out waste. One of the ways we can do this is by reducing the use of virgin materials from non-renewable feedstocks, which is of particular importance for plastics.

We have set a target to cut our use of virgin petroleum-based plastic by 10% by 2025 and by a third by 2030. It is an absolute target, meaning it is inclusive of business growth. And it is measured against our 2020 baseline, which we estimate to be around 50,000 tonnes globally.<sup>iv</sup> In the context of the consumer health sector, which is subject to extensive safety, quality, and regulatory requirements, we believe that our target is stretching, yet achievable.

We are acting across our business and through our brands to deliver against this target. In practice, this means using eco-design tools to explore both shorter-term

opportunities and more disruptive solutions, all of which need to be integrated into a sustainable innovation model. For example:

- Our pain relief brand **Advil** has reduced the amount of plastic in its bottles by 20% with new sustainable plastic technology. We are using this first-of-its-kind material in over 80 million bottles, which will reduce the amount of plastic in the environment by over 225 tonnes.<sup>v</sup>;
- Our oral care brand **Dr.BEST** introduced the GreenClean toothbrush, with a handle made from renewable cellulose and ‘tall oil’, which is a wood-based bioplastic that is derived from pine, spruce, and birch trees in sustainable forests.<sup>vi</sup>; and
- Working through a consortium of manufacturers, we are exploring the design and pilot of **Pulpex** bottles for our wellness and oral health brands **Centrum** and **parodontax**, . As a paper-based solution, this innovative material and forming technology can offer an alternative to a plastic or glass-based bottle, helping to make the packaging more environmentally sustainable, while offering the same high-quality appearance and performance.<sup>vii</sup>

### Developing solutions to be recycle-ready

**We aim to develop solutions for all product packaging to be recycle-ready by 2025, a key milestone towards making all our packaging recyclable or reusable by 2030, where safety, quality, and regulations permit.**

Recycling is another pillar that underpins the circular economy for healthcare packaging. Our aspiration is for recycling or reuse to be consumers’ default option once they have finished using one of our products.

We are creating recycle-ready formats across our portfolio, with a target to develop solutions for all product packaging to be recycle-ready by 2025. Recycle-ready means that a packaging format is proven to be compatible with existing or emerging sort-recycle technology. Making our packaging recycle-ready is a key milestone to achieving recyclability, whereby a format is effectively collected, sorted, recycled in practice and at scale in at least one region. We have set a target to make all our packaging recyclable or reusable by 2030.

To do this, we are targeting priority packaging formats that account for a significant proportion of our portfolio. For example, in oral health:

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- We are switching our toothpaste tubes from complex multi-material layer laminates with an aluminium barrier, to solutions designed around a single material, such as the Greenleaf laminate, which can be sorted into an existing waste stream. This is being deployed across our oral health brands, including **Sensodyne, parodontax** and **Aquafresh**; and
  - We have set an ambition to make over 1 billion toothpaste tubes recycle-ready by 2025. The move to recycle-ready tubes began with the launch of recycle-ready **Sensodyne Pronamel** tubes in Europe in 2021 and we are currently rolling out recycle-ready tubes in more regions.

In consumer health, there are some specific types of packaging that have historically not been recycle-ready, namely blister packs, and sachets for non-prescription medicines and wellness brands. These are our next focus areas, where the development of new solutions could contribute to making healthcare packaging more sustainable. However, at every stage, we will never compromise on safety, quality, regulatory compliance, and product effectiveness for the full shelf life.

### Partnering to achieve recyclability

**We will work with partners to drive global and local initiatives to collect, sort, and recycle our packaging at scale by 2030.**

While we are responsible for our packaging design and development choices, the effective collection, sorting, and recycling of packaging, in practice and at scale in its local context, cannot be achieved by working alone. Significant collaboration is needed with stakeholders across the full value chain of waste management, which is why we are partnering to help close the loop for the recycle-ready solutions we are developing.

In addition to working with our existing suppliers, we collaborate with partners through our memberships of trade associations, consortiums, and coalitions, including:

- **The Ellen MacArthur Foundation Network**: a network enabling us to learn from and contribute to emerging thinking on the transition towards a circular economy;
- **The Holy Grail 2.0 Digital Watermarks Initiative**: a cross-industry project seeking to revolutionise the sorting of packaging at recyclers;

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- **The Sustainability Consortium**: a consortium of companies, non-profit organisations and universities that is working to find ways to drive recycling of small packaging formats;
  - **Consumer Goods Forum (CGF) Plastic Waste Coalition of Action**: a coalition of CGF members working towards eliminating plastic waste on land and sea; and
  - **The Association of Plastic Recyclers, Recyclclass** and **Ceflex**: associations focused on improving the quality of recycled materials.

### Policy recommendations

We believe that governments, policymakers, health systems, regulators, industry, trade associations, HCPs, and citizens should work together to:

**Introduce evidence-based and proportionate policies on packaging, which help to make meaningful progress on the transition towards a circular economy.**

For example, we have helped to inform global principles and parameters for **Extended Producer Responsibility (EPR)** schemes and **eco-modulation** policies through the Consumer Goods Forum. We encourage policymakers to consider these when developing and improving EPR programmes.

**Inform, develop, and scale approaches to help improve the collecting, sorting, and recycling of consumer health packaging, working with industry to:**

- Raise public awareness about what and how consumers can recycle;
- Support the development of plastics recycling technologies, which are proven to be credible, safe, and environmentally sound. This could include novel advanced recycling solutions, such as chemical recycling, which we recently contributed to an **industry position** on, through the Consumer Goods Forum; and
- Collaborate on building, scaling up and improving recycling and waste collection infrastructure.

For more information on how we engage policymakers, please see our **position on political advocacy**.

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<sup>i</sup> <https://www.gsk.com/media/7525/haleon-capital-markets-day-all-presentation-slides.pdf> [page 122]

<sup>ii</sup> <https://www.unep.org/plastic-pollution>

<sup>iii</sup> <https://ellenmacarthurfoundation.org/topics/circular-economy-introduction/overview>

<sup>iv</sup> <https://www.gsk.com/media/7525/haleon-capital-markets-day-all-presentation-slides.pdf> [page 122]

<sup>v</sup> <https://us.gsk.com/en-us/media/press-releases/advil-to-reduce-plastic-in-over-80-million-bottles-by-20-with-new-sustainable-plastic-technology/>

<sup>vi</sup> <https://www.gsk.com/en-gb/media/press-releases/gsk-consumer-healthcare-leads-oral-care-industry-with-launch-of-its-first-carbon-neutral-toothbrush/>

<sup>vii</sup> <https://www.pulpexhome.com/>