HALEON

Tax Strategy 2026

October 2026

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CFO Welcome from **Dawn Allen**



I am pleased to present Haleon's 2026[1] tax strategy.

At Haleon[2], our purpose to deliver better everyday health with humanity guides us in everything we do, including our approach to tax. We believe that being a responsible taxpayer plays an important role in supporting sustainable business growth, building stakeholder trust and contributing to the communities in which we operate.

In 2025, Haleon's adjusted tax charge was £554m, representing an effective tax rate (ETR) of 24.5%. As a significant taxpayer in the jurisdictions in which we operate, we pay and collect substantial amounts of tax worldwide. We are committed to paying the right amount of tax at the right time. Where legislation is open to interpretation, our filing positions may be subject to challenge. In such cases, we engage cooperatively with tax authorities and with positive intent, aiming to resolve any points of difference in a timely manner.

The global tax landscape continues to evolve at pace. We completed our first Pillar Two filing and payment obligations, marking an important milestone in the implementation of the OECD's global minimum tax framework. At the same time, governments around the world continue to introduce new tax rules, reporting requirements and measures aimed at protecting and expanding domestic tax bases. These developments are not unique to Haleon, and we expect similar impacts across our sector. We continue to monitor these changes closely and evaluate their implications for our business.

Transparency remains an important part of our approach. Consistent with Haleon's commitment to uphold robust ethical standards, we seek to be transparent about the way we manage our tax affairs. The introduction of the EU Public Country-by-Country Reporting Directive (pCbCR) has increased visibility of the tax affairs of multinational groups and reflects growing stakeholder expectations in this area. As part of our commitment to transparency, we continue to publish our Country-by-Country Report (CbCR), providing insight into our global activities and tax positions across jurisdictions.

We are proud to be recognised by several Environmental, Social and Governance (ESG) indices[3] and remain committed to strengthening our position as a transparent and responsible taxpayer.

For further details about Haleon, our strategy, and ESG commitments, please visit:

- https://www.haleon.com/who-we-are
- https://www.haleon.com/investors/annual-report-2025
- https://www.haleon.com/our-impact/esg-reporting-hub

1. We consider that this publication satisfies our duties in accordance with the requirements of paragraph 16(2), Schedule 19, Finance Act 2016 for the financial year ending 31 December 2026. Our tax strategy applies to the UK and all other countries in which we operate. This publication was approved by the Haleon plc Audit & Risk Committee in October 2026.
2. References to Haleon include the period prior to and following the 18 July 2022 listing on the London Stock Exchange.
3. For more information, including ESG indices ratings, see our ESG Reporting Hub.

Haleon's Tax Strategy **Principles.**

In this edition of Haleon's tax strategy, you will find information on the principles and processes that guide our approach to tax as well as insights into our priorities as a company. These principles facilitate a mutual understanding and standardised approach to tax throughout Haleon.

Haleon is a significant contributor of tax in the countries in which we operate. We pay taxes on profits, people and operations, including our manufacturing sites and office facilities. We also collect and remit taxes on behalf of governments, including payroll taxes, indirect taxes and environmental levies such as the UK's plastic packaging tax.

Our tax strategy is fundamentally one of compliance. We are committed to complying with applicable tax laws and regulations and to paying the right amount of tax at the right time. The global tax environment continues to evolve rapidly and ongoing reforms to customs and other tax regimes continue to increase the complexity of the tax landscape in which we operate. In response, we continue to invest in our people and processes to ensure we can meet these evolving obligations.

As tax laws, reporting obligations and stakeholder expectations continue to develop, we continue to invest in our people, processes and technology to meet our compliance obligations and maintain high standards of governance and transparency. For example, the team continues to invest in emerging technologies to build digital capabilities to support tariff classifications and other customs and trade compliance activities.

The first principle of our tax strategy sets out our approach to tax governance and risk management. Principle two explains how our tax team maintains the skills and knowledge needed to support the business, while principle three sets out our approach to tax planning and compliance.

As tax authorities around the world increase their focus on compliance, transparency and cross-border activity, we have seen an increase in tax controversy. Maintaining strong and collaborative relationships with tax authorities is therefore more important than ever. Our approach to these interactions is outlined in principle four of this document.

Haleon's Principles of **Tax Management.**

As part of our tax management process, we have four key principles, which are set out below:

Decisions, activities and operations undertaken across our business give rise to areas of uncertainty, some of which relate to tax. Uncertainties regarding tax generally fall into one of three categories: (i) tax processes and systems, (ii) interpretation of tax law, and (iii) policy and legislative changes to tax rules. Managing tax risk requires an understanding of where and why these uncertainties arise and deciding how these are addressed.

Principle 1:	We have a robust risk management and governance framework, which ensures that risk is highlighted to senior management as required.
Principle 2:	Our tax team are suitably qualified to undertake their roles.
Principle 3:	We respect the spirit and the letter of the laws of each country in which we operate.
Principle 4:	We seek to maintain a low-risk tax profile and collaborate with tax authorities with positive intent.

1.

We have a robust risk management and governance framework, which ensures that risk is highlighted to senior management as required

The Audit & Risk Committee has approved this tax strategy and is accountable for Haleon's compliance with it, as well as our tax policies and risk management arrangements as part of our wider Internal Control Framework.

At an operational level, accountability for ensuring compliance with the tax strategy is delegated to the Group Controller, who reports directly to the Chief Financial Officer. Our tax affairs are managed globally by a team of highly qualified professionals who work closely with the business on a day-to-day basis. Haleon's tax team is part of the Finance function, and the Group Controller is a member of Haleon's Finance Leadership Team. The Deputy Head of Tax reports to the Group Controller.

Tax risk in all countries in which we operate is managed through robust internal policies, processes, training and compliance programmes as part of Haleon's wider Enterprise Risk Management framework. This includes the identification, assessment, mitigation and monitoring of tax risks and controls. Tax controls are assessed through the Internal Control framework, with results reported to the CFO throughout the year and significant matters escalated to the Haleon Board as required. Tax risks are reported through the Compliance Risk Forum.

All Haleon employees, including the tax team, are required to adhere to our Code of Conduct, with relevant training refreshed annually. Our Code of Conduct is designed to encourage all employees to speak up about misconduct, potential breaches of our Code of Conduct or other company policies or procedures, and suspected violations of laws and regulations.

2.

Our tax team are suitably qualified to undertake their roles



The Haleon tax team comprises individuals with specific geographic, operational and technical responsibilities, including specialists in Indirect Tax, Employment Tax and Transfer Pricing.

The Group Controller continually evaluates whether the Tax function is optimally structured to deliver Haleon's tax strategy effectively.

We invest in ongoing development of our people through a combination of in-house training, external programmes and professional qualifications. This helps ensure team members maintain the skills and knowledge needed to respond to an evolving tax landscape and provide up-to-date technical advice in line with their responsibilities. Recent examples include training on tariff classification of raw materials, tariff refund opportunities and the use of emerging technologies to support customs and trade compliance activities.

To supplement the subject matter expertise of our tax team, we also partner with external advisers to support global tax compliance and statutory filing obligations. Advisers also provide specialist input on areas of uncertainty, significant transactions and new tax legislation as required.

3.

We respect the spirit and the letter of the laws of each country in which we operate

We are subject to tax throughout our value chain, and the primary objective of the tax team is to ensure compliance in every jurisdiction in which we operate; paying the right amount of tax at the right time. We recognise the importance of respecting both the spirit and the letter of the laws of each country in which we operate.

Profits are recognised in territories by reference to the activities performed, assets owned and risks borne. In line with current OECD guidelines, we base our Transfer Pricing policy on the Arm's Length Principle and support our transfer prices with economic analysis and contemporaneous Transfer Pricing reports.

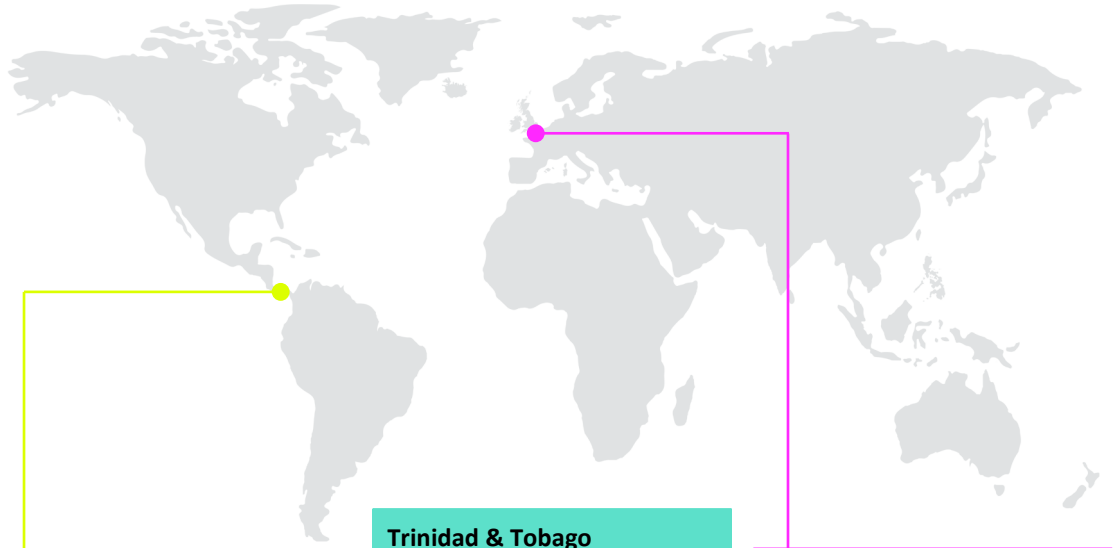
Haleon acts responsibly in relation to tax matters and our approach to tax is aligned with our commercial activities and wider business strategy. When considering how to structure an investment or transaction, decisions are driven by business objectives, with tax considered alongside a range of commercial, regulatory and operational factors.

We are not prescriptive on the level of tax risk we are prepared to accept, however, we do not take speculative tax positions. Our policies, processes and governance framework are designed to identify material tax risk for Haleon. Where there is material uncertainty on the tax treatment of a transaction, or where the necessary expertise is not available within the tax team, external advice is sought. We have a zero-tolerance approach to tax evasion and the facilitation of tax evasion.

Haleon does not establish entities in low-tax jurisdictions for tax avoidance purposes. Where we have a presence in jurisdictions that may be described as 'tax havens', those entities exist to support genuine business activities and have a clear commercial rationale. A summary of those entities and their purpose is set out opposite.

4. The legal entity in Trinidad & Tobago is currently in the process of being liquidated.

We base our Transfer Pricing policy on the Arm's Length Principle and OECD guidelines



Panama

Our Panama entity operates as an export hub to the Central American and Caribbean (CARICAM) region and provides value chain and management services to other LATAM group entities.

Trinidad & Tobago

We have a local operating company in Trinidad & Tobago[4] due to local legal and regulatory requirements which means we are unable to outsource the sales and marketing operations for this country.

Guernsey

We have a group insurance company in Guernsey which enables Haleon to aggregate operational risks and insure them within established global insurance markets. This enables better pricing and coverage than if each group company insured its risks separately.

The above companies are all disclosed in Haleon's Country-by-Country Report that is submitted to HMRC in the UK on an annual basis, which is also available on our website.

4.

We seek to maintain a low-risk tax profile and collaborate with tax authorities with positive intent

Haleon seeks to maintain a low-risk tax profile, with tax positions supported by material business substance.

We seek to develop and maintain cooperative relationships with tax authorities worldwide, built on mutual respect, transparency and trust. We regularly engage with tax authorities to discuss our tax affairs and provide real-time business updates wherever possible. As part of our commitment to transparency, we continue to publish our Country-by-Country Report, in line with the EU Public CbCR Directive, providing insight into our global activities and tax positions across jurisdictions.

During 2026, we completed our first Pillar Two filing and payment obligations under the OECD's global minimum tax framework.

We submit tax returns within statutory time limits and engage proactively with tax authorities to seek to ensure our tax affairs are up to date. In addition, where appropriate, we may seek certainty with tax authorities through clearance applications or advance pricing agreements. These agreements provide long-term certainty for both tax authorities and Haleon over the tax treatment of our business based on full disclosure of all relevant facts.

Glossary

Arm's Length Principle	An OECD principle requiring all transactions between related companies to be valued as if they had been carried out between unrelated parties, each acting in their own best interest.
Country-by-Country Report/Reporting (CbCR)	A report submitted annually to tax authorities with aggregate data on the global allocation of income, profit, taxes paid and economic activity among tax jurisdictions in which the group operates.
Public Country-by-Country Report/Reporting (pCbCR)	An EU Directive requiring large multinational groups to publicly disclose certain country-by-country information.
Effective Tax Rate / ETR	The average rate at which a company's pre-tax profit is taxed, calculated by comparing its tax expense to its profit before tax.
Employment Tax	Taxes arising from employing people, including income tax withheld from employees and employer social security contributions.
Group	Includes all directly and indirectly owned subsidiaries of Haleon plc.
Haleon	Haleon plc.
HMRC	His Majesty's Revenue and Customs. The official UK government department responsible for collecting taxes.
Indirect Tax	Taxes such as VAT or sales taxes and customs duties.
OECD	The Organisation for Economic Co-operation and Development is an international organisation comprising 38 member countries that promotes economic growth, prosperity and improved living standards through international policy cooperation. The OECD also develops internationally recognised standards and guidance across a range of areas, including taxation.
Pillar Two	The OECD's framework which introduced a global minimum effective tax rate of 15% for large multinational enterprise groups.
Tax	The OECD definition of tax is as follows: Taxes are compulsory, unrequited payments to general government. The OECD methodology classifies a tax according to its base: income, profits and capital gains; payroll; property; goods and services; and other taxes.
Transfer Pricing	The price charged for related party transactions related to goods, services or Intellectual Property (IP).

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