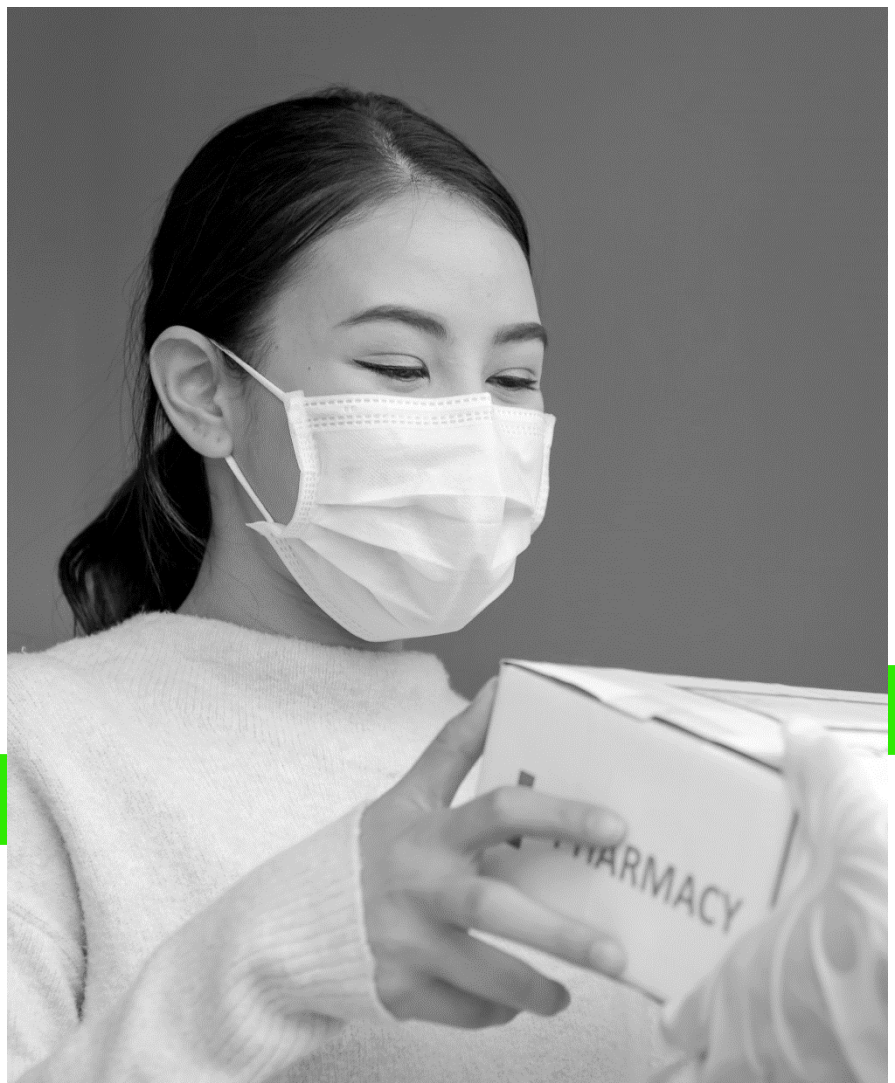


HALEON

Trusted ingredients, sustainably sourced

Our Haleon position



Background

As a leading consumer health company, we have a special purpose – to deliver better everyday health with humanity. Trust in the ingredients we use is vital to this purpose, which is why we work tirelessly to maintain that trust. Millions of people already trust Haleon’s brands because of the care we take over our products: they know each product is grounded in scientific expertise and made with quality ingredients that data and science have shown to be effective.

For our team of over 1,400 research and development scientists, earning trust starts with selecting ingredients and designing products which people will feel good about using. As a data- and science-led company, we have deep insight into the ever-evolving science around ingredients, as well as a deep human understanding of people’s needs, wants and preferences. We combine both to design high-quality products that meet consumers’ expectations for quality, effectiveness, safety, and desired user experience.

We also recognise that people’s health is inextricably linked to the health of the environment, which is why ensuring the ingredients we select, where we source them, the communities with whom we work to produce them, and the footprint they leave, all add up to just one simple idea: that trusted ingredients, sustainably sourced can help empower more people to look after their wellbeing, while reducing our environmental impact.

We further believe a final component of trust in our ingredients lies in how we communicate. It is vital that both consumers and stakeholders can trust the ingredients we use and the role they play in our products. It is for this reason we strive to be transparent about our trusted science: the ingredients we use in our products, why they are there, what they do, and where they come from.

Ingredients that people feel good about using

Consumer safety

It’s crucial that people who use Haleon products feel safe in using them, which is why every product we create is designed and developed with the utmost care. We have extensive controls in place which are designed to evaluate benefits and risks and identify potential concerns about ingredients. Whenever we introduce a new ingredient into our portfolio, we conduct an independent evidence-based review of the ingredient’s safety

For more information about our approach, please see our position on [product and ingredient safety](#)

Consumer preference

Every human being is unique. Not only do we all have different health and wellness requirements; we also have different preferences and sensitivities. This is also true of ingredients. The best consumer health product is one that simultaneously makes a person feel better and feel good about using it. This is why Haleon strives to create a range of products that are inclusive of people with different needs and preferences. For example, while many people seeking topical pain relief prefer the reassurance of a medicated solution such as **Voltaren Rapid**, others may prefer a plant-based product such as **VoltaNatura Herbal Gel** (currently available in select markets). Or some people may have ethical or religious beliefs that require them to use vegan or halal products. For example, **Centrum** is vegan and halal in India and we are continuing to work to make Centrum available as a vegan and halal product in other markets.

The environmental and social impact of our ingredients

We know consumers have high expectations from everyday healthcare and are looking for products which also consider their environmental and social impacts. Every ingredient we use will touch wildlife, ecosystems, people, and communities in some way throughout its journey from source to disposal. We recognise that we have a responsibility to positively shape that lifecycle. We take great care around the ingredients that we use: where and how we source them; the communities with whom we work to produce them; and the actions we take to reduce any environmental footprint they leave behind. To support this, we are working to embed capabilities to enable our scientists and innovation teams to make responsible decisions in line with our sustainability goals when designing a new product, and have developed tools to provide guidance and raise awareness on specific ingredients early in the new product development process.

For more information, please see our [sustainability strategy](#)

Sustainable sourcing

As a company, we aim for all our key agricultural, forest- and marine-derived materials used in our ingredients and packaging to be sustainably sourced and

deforestation free by 2030¹. We are focussed on continuously improving the traceability and transparency of the materials we use. We use leading sustainable sourcing certifications where available, including the Forestry Stewardship Council / Programme for the Endorsement of Forest Certification (FSC/PEFC) for sustainably sourced paper and board, and the Roundtable for Sustainable Sourcing of Palm Oil (RSPO) Mass Balance certification for palm oil derivatives². We also set clear standards for how we source and certify other materials where there is not yet an established industry-wide standard³. Through our collaboration with suppliers and other partners, we work to reduce key impacts of sourcing activities such as carbon emissions, water usage and deforestation, while protecting labour rights and animal welfare. We also aim to support projects to improve the livelihoods of people working in our agricultural supply chains.

*For more information, please see our **trusted ingredients, sustainably sourced** webpage.*

Carbon reduction

We have also set clear public commitments to help tackle carbon emissions. We have set targets – aligned to the Intergovernmental Panel on Climate Change (IPCC) pathway to limit global warming to 1.5 degrees Celsius, aiming to reduce our net Scope 1 (the emissions we directly generate) and Scope 2 carbon emissions (the indirect emissions coming from the use of fossil fuel-generated electricity) by 100% by 2030. We also aim to reduce our Scope 3 ‘source to sale’ carbon emissions by 42% by 2030 and to achieve Net Zero carbon emissions by 2040, aligned to guidance from The Climate Pledge and Race to Zero⁴.

This means we aim to reduce carbon emissions from sourcing of raw materials, manufacturing, and distribution of our products to the point of sale. One of the

¹ Scope includes Haleon’s globally managed spend on key materials which are agricultural, forestry or marine derived. Globally managed spend covers the majority of our internal spend and expands across some of our third-party manufacturing network.

² These certificates apply to applicable key materials identified by the business.

³ We strive to only conduct business with third parties that maintain high ethical standards and operate responsibly. Our Working with Responsible Third Parties position outlines the expectations that we place on the third parties that we work with in order to uphold the highest standards of professional integrity and trust. We’re launching our new responsible sourcing guidelines, which will document our expectations of suppliers in relation to environmental and social issues.

⁴ Versus our 2020 baseline. Our goal to reduce net Scope 1 and 2 carbon emissions by 100% by 2030 is underpinned by a 95% absolute reduction target. 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.

ways we will achieve this is by looking for opportunities to reduce the carbon footprint of our ingredients.

In part, we will do this by working with our suppliers: for example, through Project Energize, we are supporting suppliers to decarbonise by offering access to switch to renewable energy sources. Sometimes we will explore the use of lower carbon alternatives. For example, our **Dr.BEST** toothbrush, launched in 2021 in Germany and Austria: by utilising a combination of alternative ingredients to make the brush and bristles, we were able to reduce the carbon footprint by over 50% compared to the standard **Dr.BEST** toothbrush.

Carbon and climate change will be vital considerations in all of our ingredient choices, as part of a wide series of environmental factors we consider when deciding which ingredients make our final formulations. We will also only ever use ingredients which are safe and effective for their intended use.

*For more information, please see our [**tackling carbon emissions**](#) webpage.*

Safe use and disposal

Like many products we use and consume in our daily lives, the ingredients used in consumer health products can end up in the environment, via patient excretion or washing off an active pharmaceutical ingredient into the water following use of a medicine. These products are an essential part of our lives that help people manage their everyday health and using them in a responsible way can reduce their impact on the environment.

To help consumers do this, we educate people on the responsible use of our medicines to ensure they use the right amount when it is really needed. This includes updating instructions for use in our Patient Information Leaflets; and our **“Let’s treat it right”** educational campaign for consumers and healthcare professionals. This campaign provides support and guidance for people on how to use non-prescription pain medicines responsibly and confidently, as well as how to correctly store and dispose of them.

We are also participants in industry-wide education efforts to ensure proper use and disposal of medicines. For example, we are active participants in **KnowYourOTCs** in the United States, and **MedsDisposal** in Europe.

*For more information, please see [**our position on pharmaceuticals in the environment**](#).*

Ingredient transparency

It is also vital that we make it as easy as possible for our consumers to understand both the benefits of our healthcare products, as well as enable them to make well-informed decisions about the products that are right for them. That's why we aim to make it clear and transparent which ingredients are in each of our products. In accordance with local regulations, our product labels list the ingredients in the formulation and directions for use on pack. Depending on where you live, you may also find information available in different languages, braille on packs, or QR codes to make information available in different ways for people, including those with a visual or cognitive impairment.

Policy recommendations

Haleon believes that collaboration between governments, policymakers, regulators, and other stakeholders is vital in building consumer trust in ingredients. Only by working together can we ensure that the right strategies are developed, and the right set of initiatives are implemented, to best contribute to people's everyday health.

We therefore believe that governments, policymakers, health systems, regulators, industry, trade associations, healthcare professionals (HCPs), and citizens should work collaboratively with each other to build and maintain consumer trust in ingredients, while shaping a safe environment for people's health, and the health of the environment by:

- Encouraging multistakeholder discussions on healthcare ingredients and products, where all parties, including industry, are able to share science, evidence, and expertise;
- Fostering an aligned understanding of how essential healthcare ingredients should be assessed to provide clinical benefit and protect human safety and the environment. This could be aided by the development of dedicated platforms, tools, and resources, where required; and
- Ensuring that consumers have access to quality resources, tools, and skills to make safe and informed decisions about the health products they use and the ingredients they contain.

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