



Packaging Supplier Sustainability Expectations

Dear Packaging Supplier,

As a leading global consumer healthcare company, in 2022, Haleon announced its sustainability strategy which includes goals to make our packaging more sustainable. You can find out more about our sustainability strategy here. [Our approach | Haleon](#)

We're making progress at Haleon through steps such as investing in local renewable energy contracts and installing solar power across our manufacturing facilities, including sites in Cape Town, Nairobi and Jacarepaguá. These actions have underpinned our achievement of 100% renewable electricity across the sites we own and control in 2022.

We launched a long-term Power Purchase Agreement (PPA) at our facility in Oak Hill, New York, which manufactures oral health products including Sensodyne and Pronamel for the North American market. We're partnering with Ameresco Solar Energy Solutions to supply Oak Hill with 70% of its electricity from a new, dedicated off-site solar park. This is designed to reduce the site's carbon footprint by 60%.

No company can make meaningful, sustainable change alone and we strongly believe in the power of collaboration to deliver circular, low carbon, sustainable outcomes at scale. Therefore, we write to you today to request that you support the delivery of our sustainability strategy.

Below, we have laid out the goals that we have set in each of the sustainability areas along with our expectations for you as a packaging supplier to Haleon. We have defined three levels of performance. Bronze meets the minimum expectations of all suppliers; Silver shows suppliers that are differentiating themselves through sustainability and Gold demonstrates excellence in fully meeting or exceeding Haleon's sustainability goals.

Silver or Gold statuses will be favourably considered during business reviews and tenders amongst other criteria. This will be weighted if in different tiers for different categories. Suppliers that do not meet the minimum expectations in any category may not be invited to participate in such events after the target dates.

Haleon Goals	Minimum Supplier Requirements (Bronze)	Silver	Gold
<p>Carbon Reduction</p> <p>Our aim is to:</p> <ul style="list-style-type: none"> ▪ Reduce our Scope 3 carbon emissions from source to sale by 42% by 2030 vs 2020 baseline. ▪ Achieve Carbon Net Zero, source to sale aligned to The Climate Pledge and Race to Zero by 2040. 	<p>Verses 2020 we require:</p> <ol style="list-style-type: none"> 1. Min 30% carbon reduction by 2030 2. Min 60% carbon reduction by 2040 <ul style="list-style-type: none"> ▪ Move at least 50% of your Tier 1 electricity consumption to renewable electricity in 2024. ▪ Move 100% of your Tier 1 electricity consumption to renewable electricity in 2025 and beyond. ▪ Complete a Product Carbon Footprint (PCF) for Scope 1,2 & 3 of the product that you supply to Haleon with M2030 by 31st December 2024. ▪ Must have third party validation of PCF by 31st December 2025. 	<p>Verses 2020 we require:</p> <ol style="list-style-type: none"> 1. 36-42% carbon reduction by 2030 2. 75-99% carbon reduction by 2040 <ul style="list-style-type: none"> ▪ Move 100% of its electricity consumption to renewable electricity in 2024 and beyond. ▪ Must have third-party validation of PCF by 31st December 2024 ▪ Maximum 300kgs of CO₂e (using CEPI 10 toes methodology excluding Biogenic Carbon¹) per metric tonne of paper by 2025. 	<p>Verses 2020 we require:</p> <ol style="list-style-type: none"> 1. >42% carbon reduction by 2030 2. 100% carbon reduction by 2040 <ul style="list-style-type: none"> ▪ Maximum 100kgs of CO₂e (using CEPI 10 toes methodology excluding Biogenic Carbon¹) per metric tonne of paper by 2025.
<p>Sustainable Sourcing</p> <p>Our aim is to ensure all key agricultural, forest and marine derived materials that are purchased with globally managed spend are to be sustainably sourced and deforestation free by 2030.</p>	<p>Have set goals and report annually on:</p> <ul style="list-style-type: none"> ▪ All paper-based packaging to be FSC, PEFC, CFCC or SFI Chain of Custody certified by end 2025 or over 97% recycled content. 	<ul style="list-style-type: none"> ▪ Able to demonstrate due diligence capability/readiness to conform to EUDR (For European suppliers) ▪ Able to provide traceability to forest for paper materials. 	<ul style="list-style-type: none"> ▪ Utilising traceability to support efforts to reduce deforestation and/or nature impact.

¹ Biogenic carbon refers to carbon in wood, paper and other biofuels that was originally removed from the atmosphere by photosynthesis and would eventually cycle back to the atmosphere as CO₂ due to degradation or burning processes.

<p>Recycled Content / Plastic Reduction</p> <p>Our aim is to reduce virgin petroleum-based plastic by 10% by 2025 and 1/3 by 2030 based on 2020 baseline.</p>	<ul style="list-style-type: none"> All suppliers of plastic packaging must have made proposals to Haleon as to the most cost-effective ways to achieve these goals by 2025 	<p>Have set goals and report annually on:</p> <ul style="list-style-type: none"> 33-50% virgin-based plastics reduction by 2030 vs 2020 	<p>Have set goals and report annually on:</p> <ul style="list-style-type: none"> >50% virgin-based plastics reduction through innovation by 2030 vs 2020
<p>Recycle-Ready</p> <ul style="list-style-type: none"> Our aim is to develop solutions for all product packaging to be recycle-ready by 2025, as part of our goal to make all our packaging recyclable or reusable by 2030² 	<ul style="list-style-type: none"> We require suppliers to propose plans to allow all packaging to be recyclable or reusable by end 2024. (If not already) We expect all suppliers to collaborate with Haleon to drive global and local initiatives to collect, sort and recycle our packaging at scale by 2030. Suppliers must make proposals of how we phase out PVC, PVDC, Polystyrene or PETG by end 2024. 	<p>Plans underway to make everything Recycle Ready (and not containing PVC, PVDC, Polystyrene and PETG) by 2025</p> <p>Having set goals and reporting annually on:</p> <ul style="list-style-type: none"> 100% Recycle Ready by 2030 	<p>Having set goals and reporting annually on:</p> <ul style="list-style-type: none"> 100% Recycle Ready (and not containing PVC, PVDC, Polystyrene and PETG) by 2025 100% recyclable or reusable by 2030
<p>Water</p> <p>Our aim is to achieve Good Water Stewardship at our manufacturing sites by 2025</p>			<p>Achieving AWS (Alliance for Water Stewardship) Good water Stewardship certification (or equivalent) for all manufacturing sites that supply Haleon by 2025</p>
<p>Waste</p> <p>Our aim is to achieve TRUE Certification at our manufacturing sites by 2030</p>			<p>Achieving TRUE certification (or equivalent) for all manufacturing sites that supply Haleon by 2030</p>

² Where safety, quality and regulations permit.

Please see the following resources and websites of the organisations that we work with or have referenced above. You can find standards, best practice examples and webinars within these sites to help you on your journey.

Yours Sincerely,

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