

Sustainability in Pharmaceutical Packaging

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HALEON

Delivering better everyday health with humanity

Exceptional portfolio of category leading brands, trusted by consumers and recommended by experts

SENSODYNE

Voltaren

parodontax

Advil

Centrum

Panadol

Otrivin

POLIGRIP

THERAFLU

A global leader in consumer health

#1
position in 5 global categories¹

£9.5bn
annual 2021 sales²

22.8%
adjusted operating profit margin 2021²

>100
markets served

22,000
employees globally

Attractive geographic footprint, well placed for growth



Nicholas Hall's DBi Consumer Healthcare (OTC/VMS) Database, 2020 Store and E-commerce sales.
Note: NewCo position in OTC/VMS. Brazil #4 overall, South Africa #2 overall, Poland #4 overall, Philippines #2 overall, Turkey #3 overall. MNC=Multi national Company. Germany is a statistical tie for #1.

Human understanding

+

Trusted science

=

Competitive advantage

- > A growing, £150 billion global healthcare sector
- > A management team with extensive experience across global FMCG and consumer health
- > Clear medium-term growth ambitions
 - 4-6% annual organic sales growth³
 - High cash conversion
 - Margin expansion while investing for growth
 - Disciplined capital allocation
- > Running a responsible business, integral to all we do

¹ Therapeutic Oral Health, Pain Relief, Respiratory, Vitamins, Minerals and Supplements and Digestive Health
² Reflects HALEON basis of preparation of financial statements, as opposed to USK plc basis of preparation of CH as a segment.
³ At constant exchange rates.
Please read the cautionary statement regarding forward-looking statements and the definitions for non-IFRS measures on pages 4-7 of the Stock Exchange Announcement.



OUR PURPOSE

Deliver better
everyday health
with **humanity**

Sustainable Healthcare Packaging



- Reduce our use of virgin petroleum-based plastic by 1/3rd by 2030, with a 10% reduction by 2025 (versus our 2020 baseline).
- 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*.
- We will work with partners to drive global and local initiatives to collect, sort and recycle Consumer Healthcare packaging at scale by 2030.

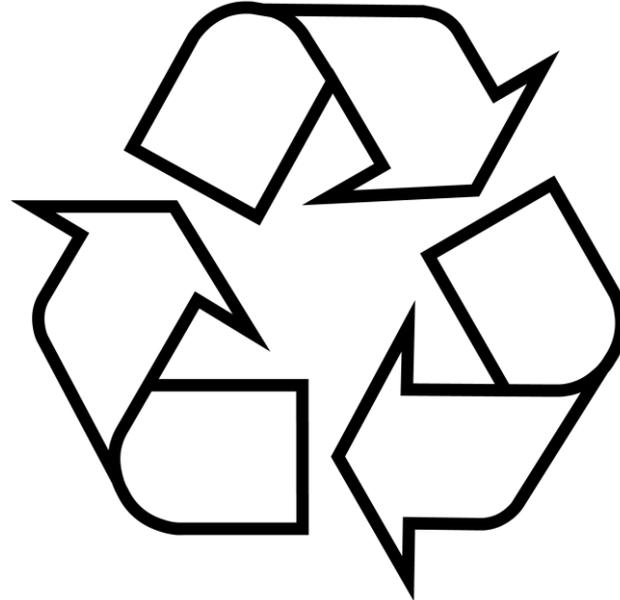
*Where safety, quality and regulations permit.



How our Goals interconnect



Goal 1: Use Less Virgin Petroleum based Plastic
(recycled plastic, alternatives to plastic)



Goal 3: Help to actually recycle our plastics

Goal 2: Make the plastic we use in our products recyclable

Our Challenges



Source: EMF New Plastics Economy

EXAMPLES	SHARE OF PLASTIC PACKAGING MARKET % BY WEIGHT	PRIORITY SOLUTIONS
SMALL-FORMAT Lids, tear-offs, caps, sachets and generally all items smaller than 40 - 70mm	-10%	REDESIGN packaging formats and/or delivery models (and after-use systems)
MULTI-MATERIAL Packaging with inseparable layers of different materials	-13%	INNOVATE in materials and reprocessing technologies
UNCOMMON MATERIALS Uncommon plastic packaging materials like PVC, EPS, PS	-10%	REPLACE Actively explore to as a priority PVC, EPS, PS by known alternatives
NUTRIENT-CONTAMINATED Coffee capsules, organic waste bags, takeaway food packaging	NOT QUANTIFIED	SCALE UP compostable plastics for targeted applications to help recover nutrients of packaging contents

FUNDAMENTAL REDESIGN AND INNOVATION is needed for >50% of plastic packaging (by no. of items), or >30% of plastic packaging (by weight)*



Evolving Regulatory Context

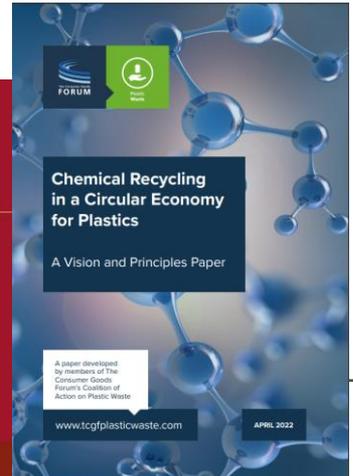
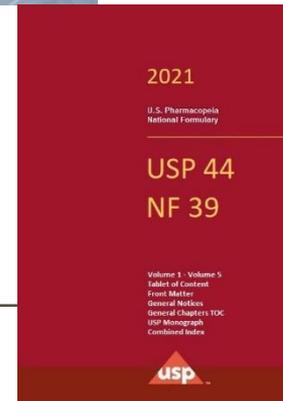
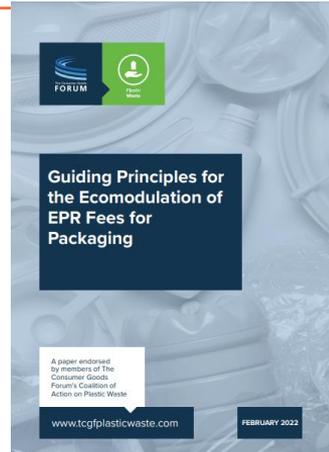


Current focus on EPR & packaging taxes

To go beyond “recycling our way out of trouble”, we need innovation in novel materials and formats

But landscape isn't clear

- Extended lead times for new packaging solutions
- Supply chains / volumes not available





What are we doing?

To get to circular supply chains in GSK CH

Going beyond – towards a circular supply chain



Reduce our use of Virgin, petroleum based plastics



Lighter packs



Alternative plastics
(Bioplastics)

Alternative materials

Recycle-Ready Packaging



RecyClass



1Bn toothpaste tubes by 2025



Recycle-ready bottles

Other Formats in development

Using Industry Best Practice



The Golden Design Rules

By The Consumer Goods Forum's Plastic Waste Coalition of Action



The full suite of 9 Golden Resign Rules (GDRs) together address 100% the total global plastics packaging market



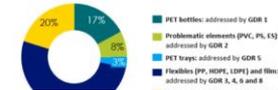
The Golden Design Rules

- ① Increase recycling value in PET
- ② Eliminate problematic elements from plastic packaging
- ③ Eliminate excess headspace
- ④ Reduce plastic overwraps
- ⑤ Increase recycling value in PET trays
- ⑥ Increase recycling value in consumer flexible packaging
- ⑦ Increase recycling value in rigid HDPE and PP
- ⑧ Reduce virgin plastic in B2B packaging
- ⑨ Use on-pack recycling instructions

Note: The above represents all plastic packaging and only refers to packaging where plastic is the dominant material. Source: "Fast Track Commitment Progress Report 2020" © 2020 GSK analysis.

Universal adoption of the GDRs would address all plastics packaging globally

Share of plastic packaging by type, and how they are addressed by GDRs¹



Each Golden Design Rule is aligned to a specific overarching objective



A Eliminate problematic or unnecessary packaging	② Eliminate problematic elements from plastic packaging
B Increase recycling value for packaging types that are recycled at scale in today's recycling system	③ Eliminate excess headspace
C Increase recycling value in future recycling system(s) for packaging types not recycled at scale today ¹	④ Reduce plastic overwraps
D Improve environmental performance of B2B packaging	① Increase recycling value in PET
E Improve consumer communications	⑦ Increase recycling value in rigid HDPE and PP
	⑤ Increase recycling value in PET trays
	⑥ Increase recycling value in consumer flexible packaging
	⑧ Reduce virgin plastic in B2B packaging
	⑨ Use on-pack recycling instructions

Going beyond – towards a circular supply chain



Driving recycling of our products

Working in partnership to improve recycling EU



Intelligent Packaging Digimarc



Looks Like This



Performs Like This



Images courtesy of P&G / Digimarc

- Prototype laminae printed April
- Integrated into Albea varnish layer on existing artwork
- Full-scale trial in Europe planned for later this year

Small Format Packaging Recycling



P&G, Burt's Bees, TSC, Colgate-Palmolive, and More Form First Coalition to Tackle Recycling Small Format Packaging

by TSC | Jan 10, 2022 | News | 0 comments



January 11, 2022 TEMPE, AZ, FAYETTEVILLE, AR – The Sustainability Consortium (TSC) announced today the formation of a new coalition of companies and organizations committed to creating resources to recycle small format packaging and other materials. This is the first coalition of its kind to include CPG companies, non-profits and universities. TSC, alongside P&G, Burt's Bees, Colgate-Palmolive, GSK, Sustainable Packaging Coalition, The Recycling Partnership, Balcones Resources, University of Arkansas, and Arizona State University are collaborating to accelerate progress on building increased circularity of small format packaging of all material types through science-based, collective action projects.

Closing the loop

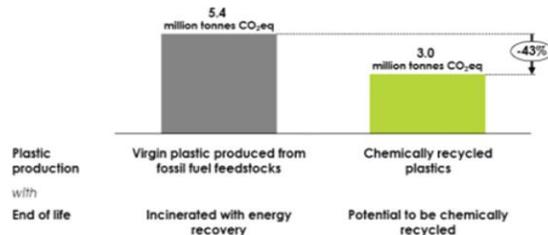


Sourcing new forms of recycled plastic – Chemical Recycling



- For the first time, consumer good companies are joining forces through The Consumer Goods Forum (CGF) to set the agenda for the development of new plastic recycling technologies.
- 16 members companies of the CGF's Coalition of Action on Plastic Waste have today published an independent scientific study which demonstrates that the chemical recycling of hard-to-recycle plastic waste could reduce the climate impact of plastic when compared to waste-to-energy incineration.
- Companies have also co-authored a paper which outlines a set of principles for credible, safe and environmentally sound development of the chemical recycling industry.

Reference case: One million tonnes of PE/PP post consumer flexible packaging in EU
GHG emission produced (million tonnes of CO₂e)



Key Asks



- Increased palette of material options (beyond virgin plastics)
- Clarity and transparency on assumptions (particularly with emissions)
- Joined up approaches to collection, sorting and recycling of packaging, especially small formats
- EPR & related fees targeted to addressing challenges beyond the low(er) hanging fruit (PET bottles)
- Clarity on regulations and scope to influence?