



# HALEON

Delivering attractive  
growth in **EMEA & LATAM**  
and leveraging leadership  
in Pharmacy

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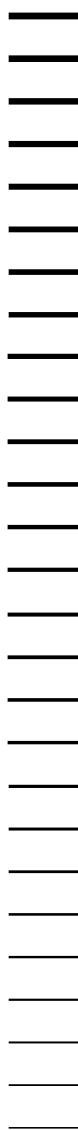
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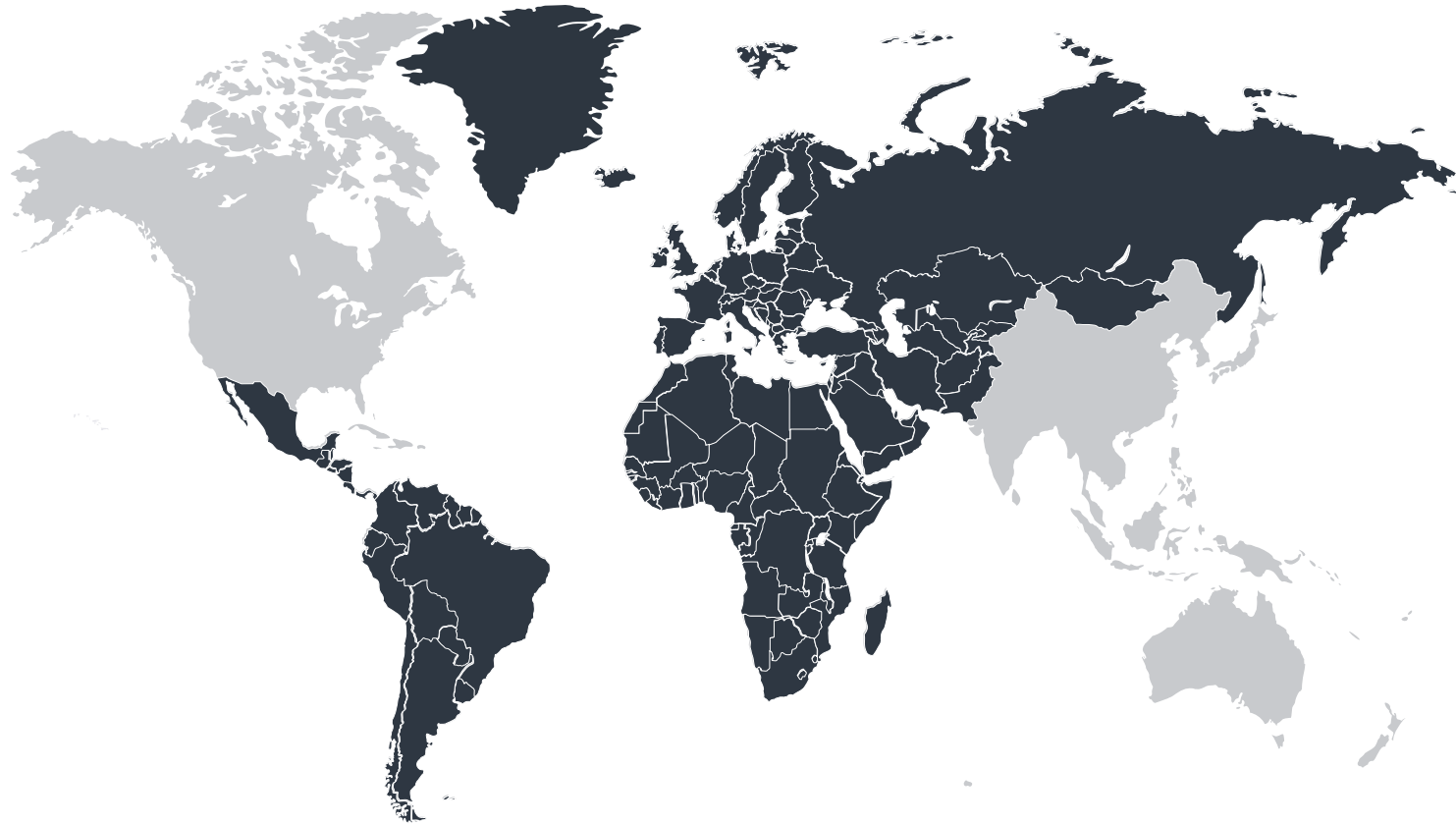
**Leader in EMEA & LATAM**, a region with compelling opportunities for growth

**Attractive and balanced growth profile** of Developed and Emerging Markets

**Positioned to outperform:**

- Expanding Therapeutic Oral Health and increasing relevance of OTC brands to **drive household penetration**
- **New and emerging opportunities** to unlock VMS growth and maximise full potential of Emerging Markets
- **Strong execution** across channels with leadership in Pharmacy, #1 channel

## EMEA & LATAM: Scale, diversity and opportunity



Home to:

**44%**

of the **world's population**

---

**37%**

of the **world's GDP**

# EMEA & LATAM business overview

**£3.9bn**  
revenue

**10,600**  
employees<sup>1</sup>

**1**  
R&D centre

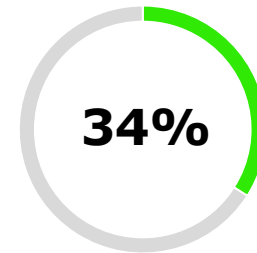
**41%**  
of global  
Haleon  
revenue

**c.150**  
markets served  
**7**  
Business Units

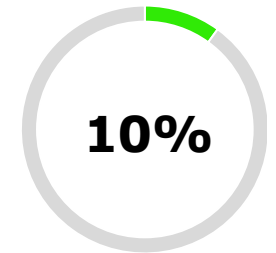
**13**  
manufacturing  
sites

**Revenue**  
**44%**  
Emerging  
Markets  
**56%**  
Developed  
Markets

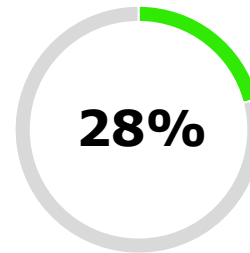
## Haleon revenue by category



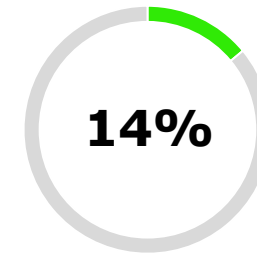
Oral Health



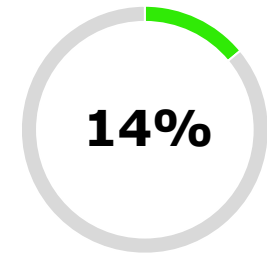
VMS



Pain Relief



Respiratory  
Health



Digestive  
Health & Other

## Key Brands



parodontax



Centrum

Voltaren












Otrivin

**HALEON**

All data points sourced from GSK Internal data  
2021 Haleon revenue

# A leader in a c.£56bn growing market: EMEA & LATAM

	Market size <i>% of total</i>	Haleon share %	Key Brands	
<b>Oral Health<sup>1</sup></b>	<b>£10bn</b> 18%	<b>#3</b> 15% share		
<b>VMS<sup>2</sup></b>	<b>£13bn</b> 23%	<b>#3</b> 4% share		
<b>Pain Relief<sup>2</sup></b>	<b>£7bn</b> 12%	<b>#1</b> 15% share		
<b>Respiratory Health<sup>2</sup></b>	<b>£9bn</b> 16%	<b>#1</b> 7% share		
<b>Digestive Health<sup>2</sup></b>	<b>£5bn</b> 9%	<b>#6</b> 3% share		

**#1** Sensitive Toothpaste brand<sup>3</sup>  
**Sensodyne**

**#1** Denture Care brand  
**Polident**

**#1** VMS brand  
**Centrum**

**#1** OTC brand  
**Voltaren**

**#1** Topical Nasal Decongestant brand  
**Otrivin**

<sup>1</sup> Data source for Oral Health is Euromonitor 'Oral Care' 2020, market sizes based on MSP, market share based on RSP. Market size and Haleon share rounded to nearest %.

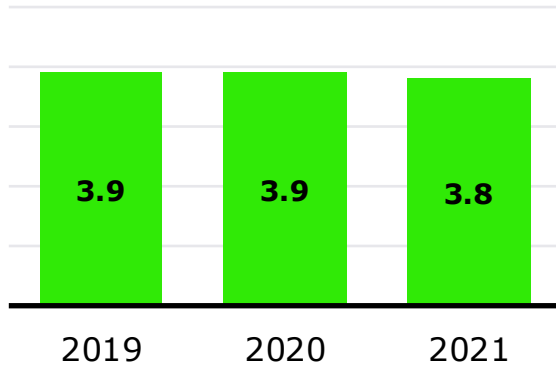
<sup>2</sup> Data sources for OTC/VMS and subcategories in N. Hall DB6 Consumer Healthcare database (MSP), store and internet sales, 2020; Note difference in total to categories above is Other which comprises smaller demalogical brands, with a market value of c.£12bn

<sup>3</sup> Sensitive toothpaste/Immune supplement is Company analysis based on IRI (2020) data.



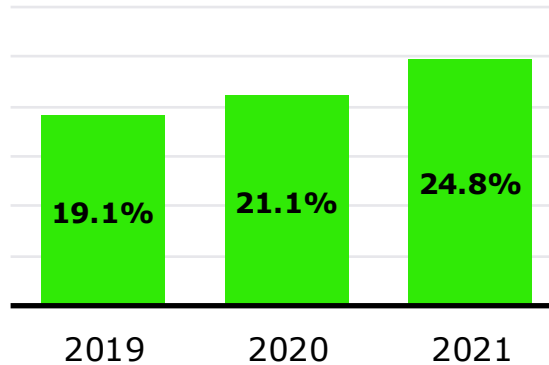
# EMEA & LATAM 3.9% 2-year CAGR with consistent margin expansion

Haleon portfolio revenue<sup>1</sup>  
(£bn)



Reported (£bn) <sup>2</sup>		
2019	2020	2021
3.9	4.1	3.9

Regional adjusted  
operating margin %<sup>4</sup>



**Haleon portfolio  
revenue growth<sup>3</sup>**  
(2019-2021 CAGR)

**3.9%**

**Net COVID  
impact on revenue**  
(2019-2021 CAGR)

**c.(1pt)**

- Pricing / volume mix**  
2021 +3pts / +1pt
- Pricing** driven by net revenue management initiatives
- Reshaped portfolio** with focused divestments
- COVID impact** due to weak cold & flu season (in H1 2021) partly off-set by VMS growth. More normal cold and flu season in Q4 2021.
- Margin expansion** through Pfizer synergies, supply chain efficiencies, net revenue management initiatives, and disciplined A&P resource allocation

<sup>1</sup>Haleon portfolio revenue. See glossary. 12 months of Pfizer brand revenues included in 2019, 2020 and 2021. Divested brand revenues excluded from 2019, 2020 and 2021.

<sup>2</sup> Haleon reported IFRS revenue.

<sup>3</sup> Haleon portfolio revenue growth. See glossary. 12 months of Pfizer brand revenues included in 2019, 2020 and 2021. Divested brand revenues excluded from 2019, 2020 and 2021.

<sup>4</sup> Haleon reportable segment adjusted operating margin

# — Strategy to outperform in EMEA & LATAM



**Strategy to  
outperform**

## **Household penetration**

**Expand** Therapeutic Oral Health by driving further category growth  
**Increase** relevance of our OTC brands

## **New and emerging opportunities**

**Unlock** VMS growth by leveraging scale and innovation  
**Maximise** the full potential of our Emerging Markets presence

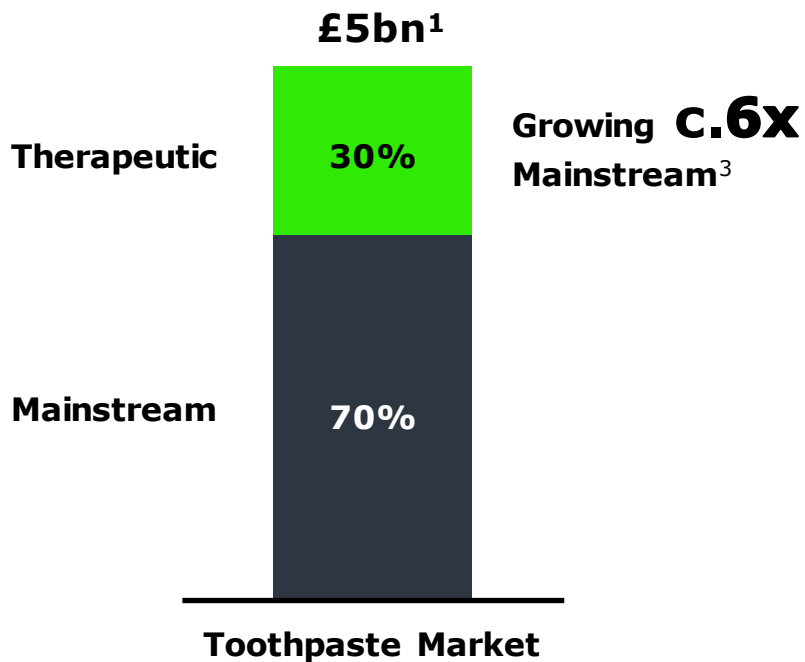
## **Strong execution and financial discipline**

**Lead in Pharmacy**, #1 channel, with strong execution across channels

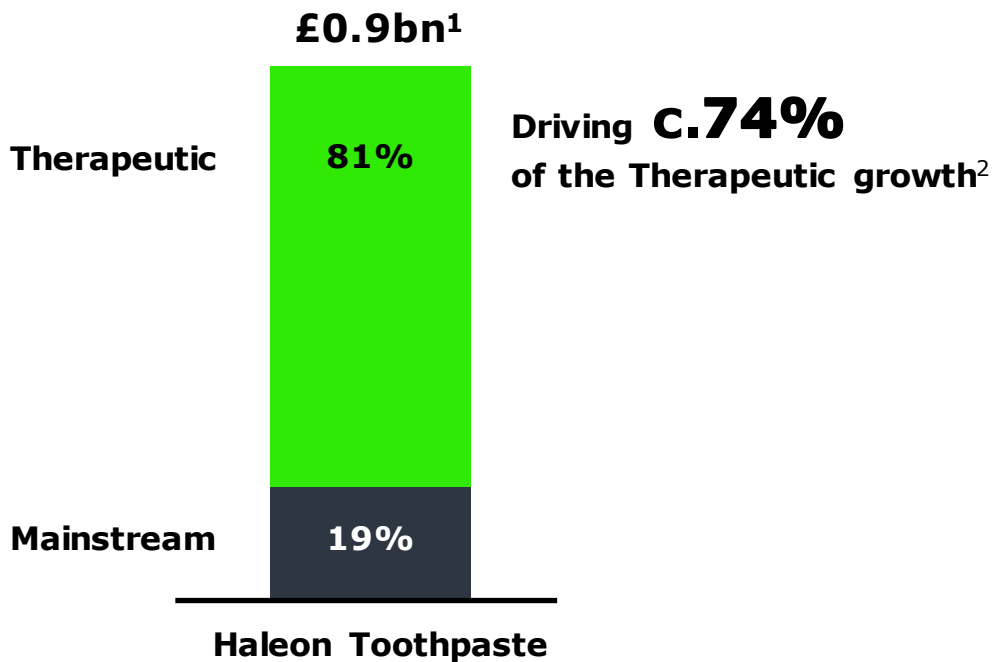
## **Responsible business**

# Leading in Therapeutic Oral Health, driving category growth in EMEA & LATAM

## Therapeutic driving growth in Toothpaste



## Haleon leading the Therapeutic growth



**#2 in Total Toothpaste<sup>2</sup>**  
**and #1 in Therapeutic Toothpaste<sup>3</sup>**

<sup>1</sup> Source: Euromonitor MSP 2020  
<sup>2</sup> Euromonitor 2020 - # 2 in Total Toothpaste EMEA, #3 in Total Toothpaste LATAM  
<sup>3</sup> Company analysis - across EMEA & LATAM region, 2021

# Expanding the Therapeutic Oral Health segment with Sensodyne

## Penetration opportunity

### Significant opportunity

Nearly **1 in 3** have experienced tooth sensitivity<sup>1</sup> and

**1 in 3** have purchased a sensitivity product<sup>1</sup>



**c.30%** overall market share in 2 markets<sup>2</sup>

**11%** average market share across the region with significant headroom<sup>2</sup>

## Proven approach to drive growth and penetration

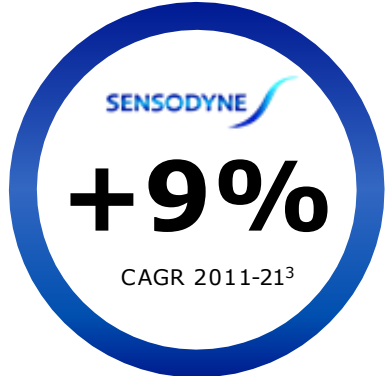


Meaningful and distinctive **brands**

driving sensitivity condition awareness

Category-driving **innovation**

Offering specialist solutions



Commercial **excellence**

Strong market execution

Expert **advocacy**

omnichannel expert engagement



<sup>1</sup> Source: Oral Health Population Data – IPSOS Incidence Study Calculations 2015; figures are averages

<sup>2</sup> Source: Euromonitor (2020)

<sup>3</sup> GSK Consumer Healthcare segment sales

## Increasing relevance of our Pain Relief brands

### Category highly relevant to consumers

**£6.7bn** market<sup>1</sup>


**>90%** 18+ experience pain in a year<sup>2</sup>

**1 in 3** suffer from weekly back pain<sup>2</sup>

**1 in 5** suffer from weekly headaches<sup>2</sup>

### Haleon leading positions in key segments

**£1bn+** revenue<sup>3</sup>

**#1** Topical Pain Relief<sup>1</sup>   
**c.30%** share in topical pain relief  
**c.2x > #3** in total pain

**#2** Systemic Pain Relief<sup>1</sup> 

# Driving growth across demographics and need states with Voltaren

## Penetration opportunity

### Across demographics and need states

Current Voltaren share of occasions<sup>1</sup>

**c.1 in 5**

in back / neck pain

**c.1 in 5**

consumers 45-70 years old



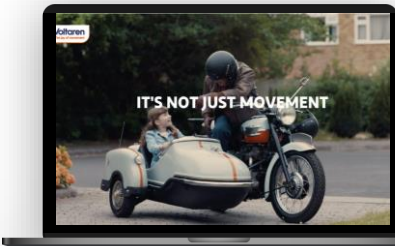
**8%**

in total pain relief<sup>2</sup>

**>20%**

in 4 markets<sup>2</sup>

## Proven approach to drive growth and penetration



Meaningful and distinctive **brands**

Across touchpoints in consumer journey

Category-driving **innovation**

Leveraging scientific distinctiveness



Commercial excellence

Help navigate by format/need state<sup>4</sup>/ price point

Expert advocacy

Reach and engage



<sup>1</sup> Internal analysis, DE, GB & IT, 2021  
<sup>2</sup> Source: N. Hall 2020  
<sup>3</sup> GSK Consumer Healthcare segment sales 2021  
<sup>4</sup> Need state: consumer's motivation to purchase

# Strong position in VMS with global and local brands

# Centrum

## #1 VMS EMEA & LATAM



vitasprint

### #1

Tonics & cure alls, Germany<sup>1</sup>



# Be-Total

### #1

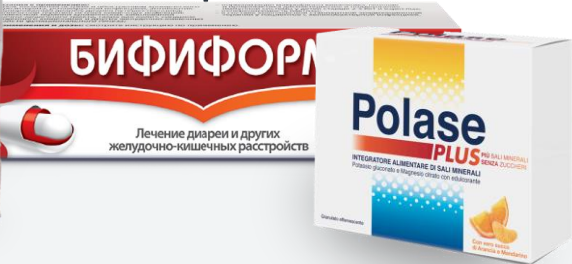
Vit B Brand, Italy<sup>1</sup>



# BIFIFORM®

### #2

Probiotics, Russia<sup>1</sup>



### #1

Calcium, Pakistan<sup>2</sup>

# CaC-1000

### #2

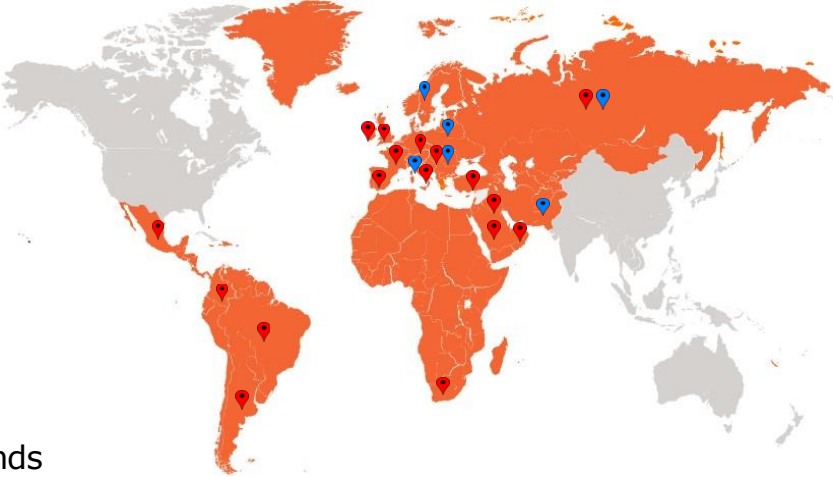
Minerals, Italy<sup>1</sup>

# Polase

<sup>1</sup> Source: N. Hall DB6 Consumer Healthcare database (MSP), store and internet sales, 2020  
<sup>2</sup> Source: Company analysis

# Unlocking VMS growth by leveraging scale and innovation

## Leveraging scale across markets



■ Centrum  
■ Local brands



**Top 5 markets**  
**c.60% of revenue<sup>1</sup>**

Available in **1/3<sup>rd</sup>**  
 of markets served

## Innovating across formats and need states

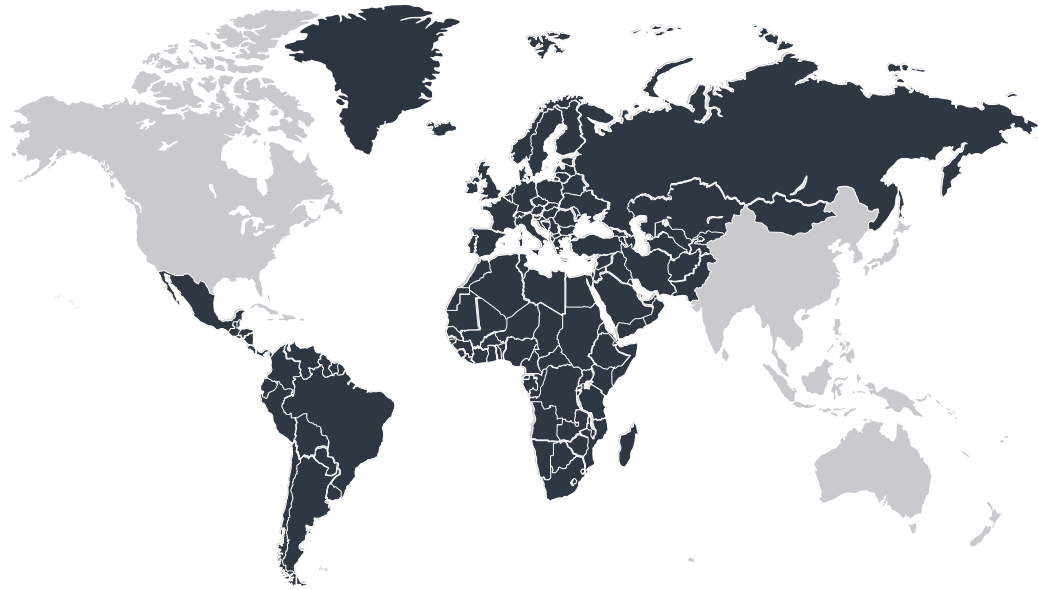


**c.18%**  
 2019-2021 revenue CAGR<sup>2</sup>

<sup>1</sup> Haleon revenue 2021  
<sup>2</sup> Haleon portfolio revenue growth. See glossary. 12 months of P fizer brand revenues included in 2019, 2020 and 2021. Divested brand revenues excluded from 2019, 2020 and 2021.



# Maximise the full potential of our Emerging Markets presence



4 out of 7 Focused Business Units

Extensive supply network

c.70% revenue from Power brands

Selective leverage of local strategic brands

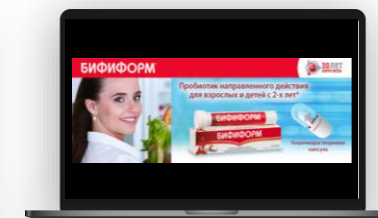
**44% revenue**  
in Emerging Markets

	OTC+VMS <sup>1</sup>	OH <sup>2</sup>
MEA	#1	#2
LATAM	#2	#4
Russia	#5	#3
CEE	#1	#2

**GrandPa**  
#1 OTC  
South Africa<sup>1</sup>

**Biform**  
#2 probiotics  
Russia<sup>1</sup>

**ENO**  
#1 antacid  
Brazil<sup>1</sup>



# MEA: Capitalising on leadership and potential

## A large and diverse Business Unit



**>30**  
Countries

**1.9bn**  
Consumers<sup>1</sup>

## Outperforming

### Double digit

revenue growth  
over the last 2 years<sup>2</sup>  
growing **2X** market<sup>3</sup>

**c.£0.7bn**

revenue 2021<sup>2</sup>

**>80%** weighted  
distribution<sup>4</sup> coverage

## Across channels



<sup>1</sup> World bank

<sup>2</sup> Haleon Portfolio Revenue 2021

<sup>3</sup> Company analysis based on external data (Nielsen, IQVIA) Aug 2021

<sup>4</sup> Company analysis 2021. Weighted distribution: percentage of points of sale where a product is available, assigning to each point of sale, a weight proportional to its sales

# Leading positions and proven capabilities to leverage MEA portfolio

**Strong positions**

**#1 Pain Relief<sup>1</sup>**

**#1 Respiratory Health<sup>1</sup>**

**#2 Oral Health<sup>2</sup>**

**#2 VMS<sup>1</sup>**

**Portfolio leverage**



c.50% revenue

**Strategic initiatives**

Expanding the portfolio



Revenue +50% 2021 vs 2020

Leveraging local supply to drive innovation



Strengthening route to market



<sup>1</sup> Source: For OTC/VMS: N. Hall DB6 Consumer Healthcare database (MSP), store and internet sales, 2020; <sup>2</sup> Euromonitor 'oral care' (2020)

# Strong route-to-market and commercial excellence across all channels

## Pharmacy



**c.60%** of revenue<sup>1</sup>

Haleon **#1**

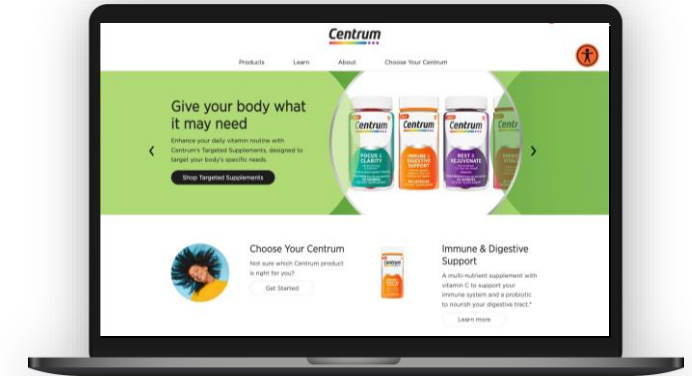
## Mass market



**c.35%** of revenue<sup>1</sup>

Strong reach with  
**>80%** weighted distribution<sup>3</sup>

## E-commerce



**5%** of revenue<sup>1</sup>

Growing at **c.30%** per year<sup>1</sup>

# Leading in Pharmacy through continuous focus on commercial excellence

## Haleon leader in Pharmacy, #1 channel

c.60% of total revenue<sup>1</sup>

### Leading Account Management

Proprietary Shopper Science Lab



Enhanced NRM capabilities

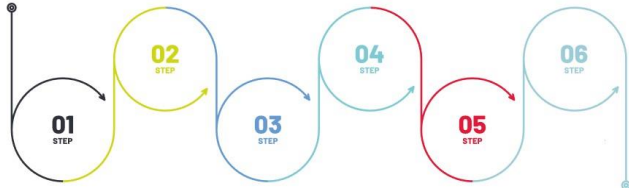
- Brand Portfolio Architecture
- Pact Price Architecture
- Active Mix Management

- Promotion Management
- Trade Investment Management

> 85% weighted distribution<sup>2</sup>

### Strong Store Execution at Scale

Customised CRM platform



AI based solution

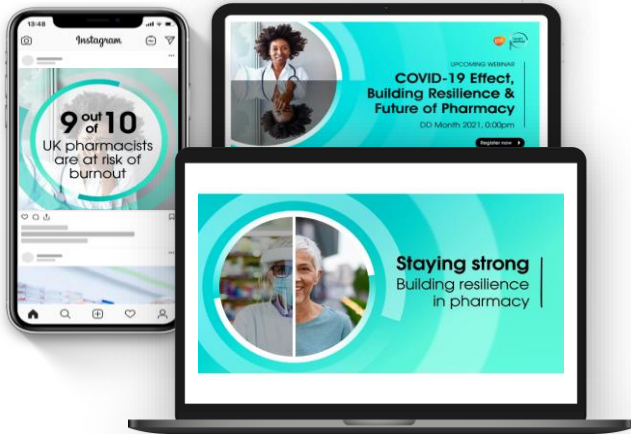
- Collection
- Digitization
- KPI Reporting



c.1.6x size of #2 OTC competitor<sup>2</sup>

### Distinctive HCP Engagement

Reaching & engaging with HCPs in omni-channel



# Running a responsible business, integral to all we do

## Carbon

Sustainably sourced woodchips supply 77% of site heat at Dungarvan site<sup>1</sup>, **>30% reduction in site's carbon emission**



## Greener solutions

Sourcing model change in Turkey **reducing CO<sub>2</sub> emissions**, equivalent to taking 154 cars off the road annually



## Water

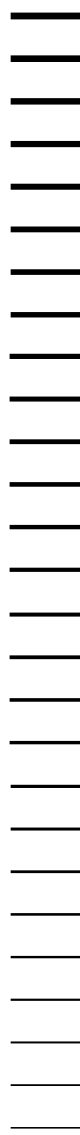
Cape Town site **water consumption down by c.52%**<sup>2</sup>



## GSK CH 1st carbon neutral brush in Germany

**Plastic free** packaging and Wood based Bioplastics; Bristles **100% renewable** materials





**Leader in EMEA & LATAM**, a region with compelling opportunities for growth

**Attractive and balanced growth profile** of Developed and Emerging Markets

**Positioned to outperform:**

- Expanding Therapeutic Oral Health and increasing relevance of OTC brands to **drive household penetration**
- **New and emerging opportunities** to unlock VMS growth and maximise full potential of Emerging Markets
- **Strong execution** across channels with leadership in Pharmacy, #1 channel



Centrum



# Thank you



NEW  
Easy open cap



1 easy click  
UP TO 12 hours  
joint pain relief

Ask your pharmacist



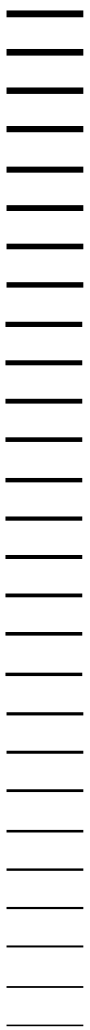
Unlike pills, Voltaren is retained at the point of pain



EVERYDAY  
PROTECTION FROM  
SENSITIVITY







# Appendix

## Assumptions and cautionary statement and regarding forward-looking statements

GSK cautions investors that any forward-looking statements or projections made by GSK, including those made in this announcement, are subject to risks and uncertainties that may cause actual results to differ materially from those projected. Such factors include, but are not limited to, those described in the Company's Annual Report on Form 20-F for 2020, GSK's 2021 Q4 Results and any impacts of the COVID-19 pandemic.

In outlining the medium term outlooks, growth ambitions and 2022 considerations for Haleon, GSK has made certain assumptions about the consumer healthcare sector, the different geographic markets and product categories in which Haleon operates and the delivery of revenues and financial benefits from its current product range, pipeline and integration and restructuring programmes. These assumptions, as well as the outlooks, ambitions or considerations (as applicable) for organic annual sales growth, adjusted operating margin expansion, dividend payout ratio, cash generation/conversion and deleveraging, assume, among other things, no material interruptions to the supply of Haleon's products, no material mergers, acquisitions or disposals, no material litigation or investigation costs (save for those that are already recognised or for which provisions have been made), no material changes in the regulatory framework for developing new products and retaining marketing approvals, no material changes in the healthcare environment, no unexpected significant changes in Haleon's end markets, no unexpected significant changes in pricing as a result of government, customer or competitor action, and no material changes in the impacts of the COVID-19 pandemic. These outlooks, ambitions and considerations also assume the successful delivery of the separation programme to deliver the demerger of Haleon and the realisation of its anticipated benefits. The outlook, growth ambitions and 2022 considerations are given at constant exchange rates.

# Haleon financial reporting considerations<sup>1</sup>

## IFRS Income Statement

### Reportable segments

#### North America

2021	£m
Revenue <sup>2</sup>	3,525
Adj. Op. Margin	23.5%

#### EMEA & LatAm

2021	£m
Revenue <sup>2</sup>	3,877
Adj. Op. Margin	24.8%

#### APAC

2021	£m
Revenue <sup>2</sup>	2,143
Adj. Op. Margin	21.5%

#### Corporate & Unallocated

2021	£m
Adj. Op. Profit	(77)
Adjusting items	(534)

## Revenue<sup>2</sup> on a Category basis

# Comparison of Haleon to GSK segment financials

Whilst a part of GSK, Haleon has historically been reported as an operating segment under IFRS 8 in GSK's annual report and interim financial reporting (the "CH Segment"). The **financial information presented above** has been prepared in a manner consistent with the Historical Financial Information prepared in connection with the anticipated demerger and separation of Haleon from GSK and therefore **differs both in purpose and basis of preparation to the CH Segment as presented historically in GSK's financial reporting**. As a result, **whilst the two sets of financial information are similar, they are not the same because of certain differences in accounting and disclosure under IFRS**.

## These differences primarily include:

- (1) the inclusion in GSK's segment reporting of certain **distribution and local commercial activities performed by a limited number of other GSK Group entities** in relation to Consumer Healthcare products
- (2) the basis of **allocation of certain cost-sharing and royalty agreements as attributed by a limited number of other GSK Group entities** for the purposes of GSK segment reporting
- (3) **the inclusion of Horlicks and other Consumer Healthcare nutrition products in India and certain other markets** in GSK segment reporting
- (4) **the sale of Thermacare products** until their disposal in 2020 which have been excluded from GSK segment reporting

## Key figures (£m)

	Haleon <sup>1</sup>			GSK CH segment <sup>2</sup>		
	2019	2020	2021	2019	2020	2021
<b>Revenue</b>	8,480	9,892	9,545	8,995	10,033	9,607
<b>Adjusted Operating Profit<sup>3</sup></b>	1,654	2,074	2,172	1,874	2,213	2,239
<b>Adjusted Operating margin<sup>3</sup></b>	19.5%	21.0%	22.8%	20.8%	22.1%	23.3%

# Revenue Reconciliation<sup>1</sup>

Haleon portfolio growth reflects the growth of Haleon's brands during the track record period

	2019	2020	2021		2020	2021
Revenue £bn	8.5	9.9	9.5	<b>Revenue growth %</b>	<b>16.7%</b>	<b>(3.5%)</b>
Growth %	n/a	<b>16.7%</b>	<b>(3.5%)</b>	Organic growth adjustments of which:	(16.6%)	2.7%
Growth CER %	n/a	19.3%	1.0%	Effect of acquisitions	(19.7%)	-
<b>Organic revenue growth %</b>	n/a	<b>2.8%</b>	<b>3.8%</b>	Effect of divestments	3.2%	2.7%
				Effect of manufacturing service agreements (MSAs) <sup>2</sup>	(0.1%)	0.0%
<b>Haleon portfolio revenue £bn</b>	9.3	9.6	9.5	Effect of exchange rates	2.7%	4.6%
Growth %	n/a	2.6%	(0.7%)	<b>Organic revenue growth %</b>	<b>2.8%</b>	<b>3.8%</b>
Growth CER %	n/a	<b>4.9%</b>	<b>3.9%</b>	Haleon portfolio revenue growth adjustments of which:	2.3%	0.1%
				Effect of acquisitions	1.6%	0.0%
				Effect of divestments	0.7%	0.1%
				Effect of manufacturing service agreements (MSAs) <sup>2</sup>	-	-
				Effect of exchange rates	(0.2%)	0.0%
				<b>Haleon portfolio revenue growth %</b>	<b>4.9%</b>	<b>3.9%</b>

Haleon portfolio revenue and growth illustrate the performance of the brands that make up the portfolio at spin to provide the best understanding of the size and growth of Haleon's brands during the track record period.

Haleon portfolio revenue and growth are presented here to aid understanding but become unnecessary going forward. Instead revenue, revenue growth, revenue growth at CER and organic growth will be used.

Source: Company analysis

Haleon portfolio growth converges with organic growth in 2021.

Haleon portfolio growth differs from organic growth in two key respects:  
 (1) By including 12 months of Pfizer brand sales in all years (including 2019)  
 (2) By completely excluding all sales of brands divested from all years

<sup>1</sup> See glossary for definitions

<sup>2</sup> Manufacturing service agreements ("MSAs") relating to divestments and the closure of sites or brands

# IFRS and Adjusted Income Statement<sup>1</sup>

## 2020 (£m)

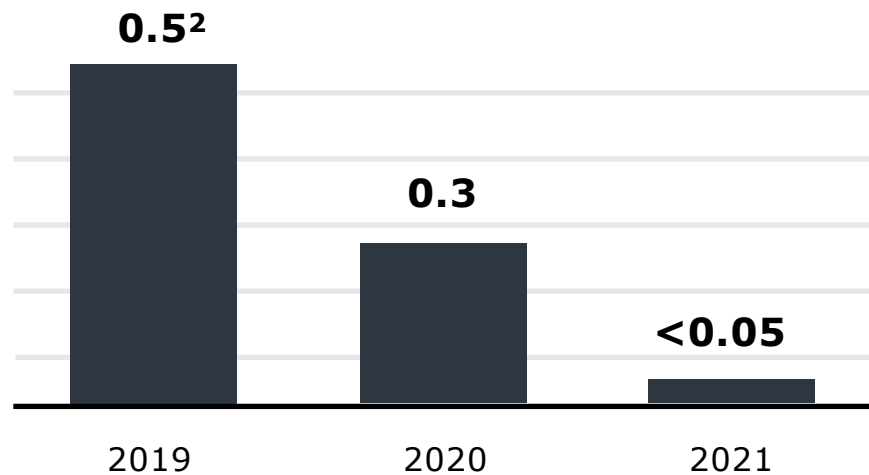
	IFRS Result	Net Intangible Amortisation and Impairment	Restructuring Costs	Transaction Related Costs	Separation and Admission Costs	Disposal and others	Adjusted Result
<b>Revenue</b>	<b>9,892</b>						<b>9,892</b>
<b>Cost of Sales</b>	<b>(3,982)</b>	81	89	91		2	<b>(3,719)</b>
<b>Gross Profit</b>	<b>5,910</b>	<b>81</b>	<b>89</b>	<b>91</b>		<b>2</b>	<b>6,173</b>
<i>% Gross Margin</i>	59.7%						62.4%
<b>Selling, general and admin</b>	<b>(4,220)</b>		314		66	21	<b>(3,819)</b>
<b>Research and development</b>	<b>(304)</b>	16	8				<b>(280)</b>
<b>Other operating income</b>	<b>212</b>					(212)	<b>0</b>
<b>Operating Profit</b>	<b>1,598</b>	97	411	91	66	(189)	<b>2,074</b>
<i>% Margin</i>	16.2%						21.0%
<b>Finance income</b>	<b>20</b>						<b>20</b>
<b>Finance expense</b>	<b>(27)</b>						<b>(27)</b>
<b>Profit before taxation</b>	<b>1,591</b>	97	411	91	66	(189)	<b>2,067</b>
<b>Taxation</b>	<b>(410)</b>	(19)	(90)	(20)	(13)	69	<b>(483)</b>
<i>Tax rate %</i>	25.8%						23.4%
<b>Profit after tax for the year</b>	<b>1,181</b>	<b>78</b>	<b>321</b>	<b>71</b>	<b>53</b>	<b>(120)</b>	<b>1,584</b>

## 2021 (£m)

	IFRS Result	Net Intangible Amortisation and Impairment	Restructuring Costs	Transaction Related Costs	Separation and Admission Costs	Disposal and others	Adjusted Result
<b>Revenue</b>	<b>9,545</b>						<b>9,545</b>
<b>Cost of Sales</b>	<b>(3,595)</b>	8	44				<b>(3,543)</b>
<b>Gross Profit</b>	<b>5,950</b>	<b>8</b>	<b>44</b>				<b>6,002</b>
<i>% Gross Margin</i>	62.3%						62.9%
<b>Selling, general and admin</b>	<b>(4,086)</b>		150		278	76	<b>(3,582)</b>
<b>Research and development</b>	<b>(257)</b>	8	1		-	-	<b>(248)</b>
<b>Other operating income</b>	<b>31</b>					(31)	<b>-</b>
<b>Operating Profit</b>	<b>1,638</b>	16	195		278	45	<b>2,172</b>
<i>% Margin</i>	17.2%						22.8%
<b>Finance income</b>	<b>17</b>						<b>17</b>
<b>Finance expense</b>	<b>(19)</b>						<b>(19)</b>
<b>Profit before taxation</b>	<b>1,636</b>	16	195		278	45	<b>2,170</b>
<b>Taxation</b>	<b>(197)</b>	8	(36)		(47)	(197)	<b>(469)</b>
<i>Tax rate %</i>	12.0%						21.6%
<b>Profit after tax for the year</b>	<b>1,439</b>	<b>24</b>	<b>159</b>		<b>231</b>	<b>(152)</b>	<b>1,701</b>

# Haleon divestments

Revenue of divested brands (£bn; 2019-2021)<sup>1</sup>



## Brands divested 2019-2021<sup>3</sup>

### 2019

Bialcol, Ceridal, Cibalgina, Eurax, Keri, Magnesia Bisurada<sup>4</sup>, Oilatum, Polytar/Tarmed, Prevacid, Savlon, Tixylix

### 2020

Alavert, Anbesol, Argus, Boost<sup>5</sup>, Breathe Right, Capent, Cetebe, Cholinex, Clindo, Coldrex, Dimetapp, Dristan, Duofilm, Eclipsol, Fibercon, Hinds<sup>3</sup>, Horlicks<sup>5</sup>, KCI-retard<sup>6</sup>, Lemocin, Mebucaine, Omega/Fri-Flyt, Orofar, Physiogel, Primatene, Pulmex, Resyl, Sunmax, Sweatosan, Synthol, Tavegyl, Thermacare, Tossamin, Trofolastin, Venoruton, Viva/Maltova

### 2021

Acne-Aid, Baldriparan, Formigran, Kamol, KCI-retard<sup>6</sup>, Spalt, Spectraban, Transderm scop

<sup>1</sup> Excludes revenue of Horlicks / Boost, which were excluded from the Haleon perimeter

<sup>2</sup> On a reported basis including 5 months' August-December revenue of Pfizer brands

<sup>3</sup> Brands are listed by year of closing of divestment

<sup>4</sup> Partial divestment

<sup>5</sup> Horlicks / Boost was excluded from the Haleon perimeter and financials but was included in GSK plc's CH segment reporting. Horlicks revenue was £ 0.5bn in 2019

<sup>6</sup> Partly divested across 2020 - 2021

# Glossary

A number of Adjusted measures are used to report the performance of our business which are non-IFRS measures. Adjusted results, CER and other non-IFRS measures may be considered in addition to, but not as a substitute for or superior to, information presented in accordance with IFRS. These measures are defined and set out below. Reconciliations to the nearest IFRS measure will be provided as part of the Historical Financial Information as part of the Prospectus.

**Adjusted EBITDA** is defined as profit after tax for the year excluding income tax, finance income, finance expense, Adjusting Items (as defined below), depreciation of property plant and equipment, impairment of property plant and equipment net of reversals, depreciation of right-of-use assets, and amortisation of software intangibles.

**Adjusting Items** include the following:

- **Net amortisation and impairment of intangible assets:** Intangible amortisation and impairment of goodwill, brands, licenses and patents net of impairment reversals.
- **Restructuring costs:** include personnel costs associated with restructuring programs, impairments of tangible assets and computer software relating to specific programmes approved by the Board from time to time that are structural and of a significant scale, where the costs of individual or related projects exceed £15 million. These costs also include integration costs following an acquisition.
- **Separation and admission costs:** costs incurred in relation to and in connection with the demerger, separation, admission and registration of Haleon Shares.
- **Transaction related costs:** Accounting or other adjustments related to significant acquisitions.
- **Disposal and other adjusting items:** Gains and losses on disposals of assets and businesses, tax indemnities related to business combinations, and other items.

**Adjusted Operating Profit** is defined as operating profit less Adjusting Items as defined above.

**Compound Annual Growth Rate (CAGR)** represents the annualised average rate of growth between two given years assuming growth takes place at a compounded rate.

**Free cash flow** is defined as net cash inflow from operating activities plus cash inflows from the sale of intangible assets, the sale of property, plant and equipment and interest received, less cash outflows for the purchase of intangible assets, the purchase of property, plant and equipment, distributions to non-controlling interests and interest paid.

**Free cash flow** conversion is defined as free cash flow, as defined above, divided by profit after tax.

**Haleon portfolio revenue** represents the revenue of the brands that make up the Company's portfolio at separation from GSK. The measure includes 12 months revenue of Pfizer brands in all years including 2019 and excludes all revenue of divested / closed brands from all years. It also excludes revenue attributable to manufacturing service agreements ("MSAs") relating to divestments and the closure of sites or brands. Haleon portfolio revenue is presented here to aid understanding but will not be used going forward.

**Haleon portfolio revenue growth** represents the growth in Haleon portfolio revenue excluding the impact of exchange movements.

**Organic revenue growth** represents revenue growth, as determined under IFRS and excluding the impact of acquisitions, divestments and closures of brands or businesses, revenue attributable to manufacturing service agreements ("MSAs") relating to divestments and the closure of sites or brands, and the impact of currency exchange movements.

**Organic sales growth** is the same as organic revenue growth (as defined above) and the terms are used interchangeably in these materials

**Sales** is the same as revenue and the terms are used interchangeably in these materials