

ESG Performance Summary 2018

About this report

This document provides a comprehensive summary of environmental, social and governance (ESG) data from across our business. This complements our wider reporting on responsible business in our [Annual Report](#) where we report progress on our 13 commitments to support our Trust priority and in the responsible business pages of gsk.com.

The information is intended to provide investors and other external stakeholders with relevant and up-to-date information on issues of importance to them.

Our commitments	1
GSK data summary	2
United Nations Global Compact Communication on Progress	10
Global Reporting Initiative guidelines	14
Assurance report	18
Read more online	20

Our commitments

In September 2018, we announced a new set of 13 commitments across three focus areas, to deliver the greatest possible long-term impact in improving health around the world.

Using our science and technology to address health needs

New medical innovations

Develop differentiated, high-quality and needed medicines, vaccines and consumer healthcare products to improve health

Global health

Improve global health impact through R&D for infectious diseases that affect children and young people in developing countries focusing on HIV, malaria and TB

Health security

Help the world to better prepare for future disease outbreaks with pandemic potential, and tackle antimicrobial resistance

Making our products affordable and available

Pricing

Improve the health of millions of people each year by making our products available at responsible prices that are sustainable for our business

Product reach

Use access strategies to reach 800 million undeserved people in developing countries with our products by 2025

Healthcare access

Partner to improve disease prevention, awareness and access to healthcare services by 12 million people by 2025

Being a modern employer

Engaged people

Achieve and maintain a competitive employee engagement score by 2022

Inclusion and diversity

Accelerate our progress on inclusion and diversity, aiming for over 37% female representation in senior roles and recognition in global LGBT+ indices, by 2022

Health, wellbeing and development

Be a leading company in how we support employee health, wellbeing and personal development

Being a responsible business

Reliable supply

Commit to quality, safety and reliable supply of our products for patients and consumers

Ethics and values

Operate an ethical, values-driven culture, in which any issues are responded to swiftly and transparently

Data and engagement

Use data responsibly and transparently. Improve patient and scientific engagement

Environment

Reduce our environmental impact by one quarter by 2030

For our 2018 progress, please see our [2019 Annual Report](#).

Our work contributes to a number of the UN's Sustainable Development Goals (SDGs). For more on how our work aligns to the SDGs, please see our [SDG factsheet](#).

Data summary

		2015	2016	2017	2018	Notes
General company information						
Employees	US	14,696	14,491	14,526	13,804	
	Europe	43,538	42,330	43,002	41,943	
	International	43,021	42,479	40,934	39,743	
	Total employees (FTE)	101,255	99,300	98,462	95,490	
Financials	Net operating profit (£m)	10,322	2,598	4,087	5,483	
	Pharmaceutical business revenue (£m)	14,157	16,104	17,276	17,269	
	Vaccines business revenue (£m)	3,656	4,592	5,160	5,894	
	Consumer business revenue (£m)	6,038	7,193	7,750	7,658	
	Total Revenue	23,851	27,889	30,186	30,821	
Access and affordability						
Reach of our access/affordability strategies	Doses of <i>Synflorix</i> vaccine supplied to Gavi (million)	62	75	75	69	
	People receiving <i>Synflorix</i> through GAVI's tiered pricing agreements ('000) ^{*A}	–	–	–	20,780	Based on 3 doses per course, and WHO estimates of 10% wastage.
	Doses of <i>Rotarix</i> vaccine supplied to Gavi (million)	33	37	44	56	
	People receiving <i>Rotarix</i> through GAVI's tiered pricing agreements ('000) ^A	–	–	–	26,600	Based on 2 doses per course and WHO estimates of 5% wastage.
	Value of GSK medicine and vaccines prescribed through our US Patient Assistance programme (COGS in million USD)	147	110	161	122	
	People reached through our US Patient Assistance programme ('000) ^A	150	138	126	126	
	Albendazole tablets donated to help eliminate lymphatic filariasis (millions)	644	649	770	602	
	Albendazole tablets donated to help treat intestinal worms (millions)	258	367	124	242	
	Girls receiving the <i>Cervarix</i> vaccine through GAVI's tiered pricing agreements ('000) ^A	–	–	–	860	Based on 2 doses per course and WHO estimates of 10% wastage.
	People receiving the Oral Polio Vaccine (OPV) through the Global Polio Eradication program ('000) ^A	–	–	–	54,400	Based on the WHO recommended 4 doses for polio-endemic countries, and WHO estimates of 20% wastage.
People accessing a healthcare service, worker, or educational session through our work with Save the Children ('000) ^H	–	1,030	490	222		

*GAVI may distribute these at different times, but within the year we provided this many doses with the potential to reach the stated number of people.

Data summary continued

		2015	2016	2017	2018	Notes
Access and affordability (continued)						
Reach of our access/ affordability strategies (continued)	People accessing Malaria services through our Comic relief partnership ('000) ^H	–	–	706	1,100	
	Healthcare workers trained through our partners ('000) ^H	15	13	20	20	Data is estimated based on previous reach through the same partner programmes and level of funding. Final 2018 data is available in April 2019.
	People accessing a healthcare worker, service or facility as a result of the health worker training programme ('000) ^H	–	–	–	2,200	Data is estimated based on previous reach through the same partner programmes and level of funding. Final 2018 data is available in April 2019.
	People reached through ViiV Healthcare's Positive Action for Children Fund (PACF) grants ('000) ^H	–	–	–	536	
	Children accessing treatment/care for cleft conditions through the Smile Train partnership ('000) ^H	–	–	–	4.1	
	HCPs/pharmacists trained through our partners in SE Asia and India dengue fever programmes ('000) ^H	–	–	–	1.1	
	People accessing dengue fever services through our partners in India ('000) ^H				103.7	
Product reach target (800 million by 2025)	People reached with our products through access strategies ('000)				102,766	Figure made up of total of all rows marked with. ^A
Health access target (12 million by 2025)	People reached through our programmes to improve disease prevention, awareness and access to healthcare services ('000)				4,185	Figure made up of total of all rows marked with. ^H
Community investment totals	Cash (million £)	57	67	80	79	
	Product and in-kind (million £)	137	127	165	132	
	Time (million £)	4	3	3	3	
	Management costs (million £)	11	12	13	10	
People						
Engagement	Employee survey engagement score (%)	–	–	79	78	As of December 2017 we conduct an employee survey twice a year. The score provided here is for the 2nd survey of the year in H2.
	Employee survey response rate (%)	–	–	83	84	
	Number of employees completing PULSE volunteering assignments	78	73	73	63	

Data summary continued

		2015	2016	2017	2018	Notes
People (continued)						
Inclusion and diversity	Percentage of women (all employees)	43%	44%	44%	44%	
	SVP/VP level	29%	30%	31%	33%	
	Director level	40%	42%	43%	43%	
	Manager level	45%	46%	47%	48%	
	Total women in management	42%	43%	44%	45%	
	Percentage of women on the Board	29%	31%	42%	45%	
Health and safety	Number of fatalities	2	1	1	0	Assured by DNV GL
	Reportable incidents with lost time	318	353	258	303	Assured by DNV GL
	Lost time reportable injury and illness rate (per 100,000 hours worked)	0.15	0.17	0.13	0.15	Assured by DNV GL
	Reportable incidents with and without lost time	566	525	457	454	Assured by DNV GL
	Reportable injury and illness rate (per 100,000 hours worked)	0.28	0.26	0.23	0.23	Assured by DNV GL
Talent and leadership development	Total number of coaching assignments	1,554	1,923	1,600	1,657	
	Number of graduates recruited through our Future Leaders programme	444	441	410	309	
	Number of postgraduates recruited through our Esprit programme	26	24	24	27	
	Number of apprentices recruited	74	99	97	165	
Environment						
Energy	Natural Gas (million GJ)	8.6	8.4	8.1	7.7	
	Coal (million GJ)	0.3	0.3	0.2	0.2	
	Electricity used (million GJ)	6.5	6.4	6.4	5.9	
	Electricity purchased (million GJ)	6.4	6.3	6.3	5.8	
	Steam / Hot Water (million GJ)	0.2	0.2	0.2	0.2	
	Other Fuels (million GJ)	0.5	0.5	0.5	0.4	
	Energy from biomass (million GJ)	0.6	0.6	0.7	0.8	
	On-site generated renewable electricity (million GJ)	0.1	0.1	0.1	0.1	
	Purchased Renewable Electricity (million GJ)	0.0	0.3	0.2	0.2	Assured by DNV GL
	% renewable electricity / used electricity (million GJ)	1.5%	5.2%	5.3%	4.8%	
	Total Energy (million GJ)	16.7	16.4	16.1	15.2	Assured by DNV GL

Data summary continued

		2015	2016	2017	2018	Notes
Environment (continued)						
Carbon: Scope 1 and 2 emissions	On-site fuel use (thousands of tonnes CO ₂ e)	499	484	462	435	
	Sales force vehicles (thousands of tonnes CO ₂ e)	138	150	154	126	
	Propellant emissions during manufacture of inhalers (thousands of tonnes CO ₂ e)	224	228	243	222	
	On-site waste or waste water treatment (thousands of tonnes CO ₂ e)	13	15	19	19	
	Refrigerant gas losses (thousands of tonnes CO ₂ e)	12	12	14	20	
	Total Scope 1 emissions (thousands of tonnes CO₂e)	888	888	892	823	Assured by DNV GL
	Electricity (thousands of tonnes CO ₂ e)	676	662	652	597	
	Steam/Hot Water (thousands of tonnes CO ₂ e)	9	10	10	8	
	Compressed Air (thousands of tonnes CO ₂ e)	n/a	0	0	0	
	Chilled Water (thousands of tonnes CO ₂ e)	n/a	1	2	2	
	Total Scope 2 emissions (thousands of tonnes CO₂e)	685	673	663	606	Assured by DNV GL
	Total Scope 1 & 2 emissions (thousands of tonnes CO₂e)	1,573	1,562	1,555	1,429	Assured by DNV GL
	Fermentation/biogenic releases (thousands of tonnes CO ₂ e)	50	51	43	43	
Carbon: Scope 3 emissions*	Purchased goods and services (thousands of tonnes CO ₂ e)	10,423	9,412	9,407	–	
	Capital goods (thousands of tonnes CO ₂ e)	400	351	318	–	
	Fuel and energy related activities (thousands of tonnes CO ₂ e)	328	294	303	–	
	Transportation and distribution (upstream) (thousands of tonnes CO ₂ e)	91	82	88	–	
	Waste generated in operations (thousands of tonnes CO ₂ e)	29	25	50	–	
	Business travel (thousands of tonnes CO ₂ e)	200	219	172	–	
	Employee commuting (thousands of tonnes CO ₂ e)	173	197	249	–	
	Leased assets (upstream) (thousands of tonnes CO ₂ e)	1	1	1	–	
	Transportation and distribution (downstream) (thousands of tonnes CO ₂ e)	805	676	639	–	
	Processing of sold products (thousands of tonnes CO ₂ e)	–	–	–	–	
	Use of sold products (thousands of tonnes CO ₂ e)	6,115	6,524	6,688	–	
	a) Emissions from use of propellant based inhalers by patients (thousands of tonnes CO ₂ e)	5,132	5,447	5,530	5,745	Assured by DNV GL

*Other than propellant emissions data (which is collected through our internal systems) we will not have an accurate picture of Scope 3 GHG emissions until later in the year)

Data summary continued

		2015	2016	2017	2018	Notes
Environment (continued)						
Carbon: Scope 3 emissions (continued)	End of life (thousands of tonnes CO ₂ e)	105	100	225	–	
	Leased assets (downstream) (thousands of tonnes CO ₂ e)	–	–	–	–	
	Franchises (thousands of tonnes CO ₂ e)	–	–	–	–	
	Investments (thousands of tonnes CO ₂ e)	19	15	13	–	
	Total Scope 3 emissions (thousands of tonnes CO₂e)	18,689	17,896	18,153	–	
Ozone depleting substances	ODP Inventory of CFC and HCFC in Equipment (kg of CFC11e)	3,079	3,079	2,022	941	
	ODP Calculated Releases of CFC11 equiv (kg of CFC11e)	83	83	56	26	
Water use	Municipal (million m ³)	10.63	9.98	10.22	9.23	
	Ground Water (million m ³)	4.10	4.19	4.24	3.52	
	Tankers (million m ³)	0.23	0.25	0.21	0.19	
	Total water use (million m³)	14.96	14.42	14.67	12.94	Assured by DNV GL
	Recycled sources (million m ³)	0.15	0.30	0.13	0.15	
	Water use at high water risk sites* (million m ³)	1.22	1.12	1.06	0.87	Assured by DNV GL
Water discharge	Wastewater to municipal sewer (million m ³)	6.59	6.57	6.35	5.75	
	Wastewater to surface water (million m ³)	3.41	3.63	3.85	3.07	
	Wastewater to other (million m ³)	0.81	1.04	0.35	0.29	
	Wastewater discharged to land (million m ³)	0.22	n/a	0.74	0.76	
	Wastewater recharged to Aquifer from rainwater (million m ³)	n/a	n/a	0.12	0.16	
	Wastewater recharged to Aquifer from treated effluent (million m ³)	n/a	n/a	0.19	0.19	
	Wastewater sent for recycling or use by a third party (million m ³)	0.09	0.13	0.00	0.00	
	Total wastewater discharged (million m³)	11.1	11.4	11.6	10.2	Assured by DNV GL
Waste	Beneficial use hazardous waste (thousand tonnes)	16.8	20.0	19.1	16.8	
	Beneficial use non-hazardous waste (thousand tonnes)	87.6	79.2	79.0	80.7	
	Total beneficial use waste (thousand tonnes)	104.4	99.3	98.0	97.5	Assured by DNV GL
	Non-beneficial use hazardous waste (thousand tonnes)	23.1	25.5	26.9	18.7	
	Non-beneficial use non-hazardous waste (thousand tonnes)	14.4	11.9	10.5	10.1	

*GSK's high water risk sites are Ankleshwar, Boudouaou, Cape Town, Karachi – F268, Karachi West Wharf, Nabha, Nashik, Oak Hill, Sonapat, Tianyuan, Xochimilco. Two other sites were also identified as high risk sites in 2017 but these have since left the GSK Network

Data summary continued

		2015	2016	2017	2018	Notes
Environment (continued)						
Waste (continued)	Total non-beneficial use waste (thousand tonnes)	37.5	37.3	37.4	28.8	Assured by DNV GL
	Total overall waste (thousand tonnes)	142.0	136.6	135.5	126.3	Assured by DNV GL
	Hazardous waste to landfill (thousand tonnes)	0.4	0.2	0.2	0.2	
	Non-hazardous waste to landfill (thousand tonnes)	7.7	6.2	4.6	3.7	
	Total waste to landfill (thousand tonnes)	8.1	6.4	4.8	3.9	Assured by DNV GL
	Percentage of waste to landfill	74%	73%	72%	77%	
Compliance	EHS internal audits of GSK sites and facilities	16	42	37	54	
	EHS, ethics and labour rights audits of 3rd party suppliers	85	70	60	83	
	Environmental fines (£)	500	5,800	4,000	7,000	
Environmental remediation*	Spend (million \$)	4.5	2.3	2.3	2.1	
Transparency, ethics and values						
Compliance	Employees disciplined for policy violations	3,574	3,294	3,200	940***	
	Employees who were dismissed or agreed to leave the company voluntarily	387	221	233	115	
	Documented warnings	2,890	2,499	901	656	
	Number of marketing and promotions activity violations	237	178	188	107	
Clinical trial data** (cumulative)	Publicly available trial result summaries	5,800	6,040	6,305	6,427	
	Studies with Clinical Study Reports posted to the register	663	1,941	2,310	2,484	
	Trials listed for which patient level data is available for request	1,727	1,953	2,117	2,333	
	Research teams approved for access to GSK trial data	82	106	108	125	
Product safety and quality						
Quality and safety audits	Audits of our 3rd parties on quality processes	1,300	1,850	1,592	1,650	
	Clinical trial audits (on our own trials and those conducted by 3rd parties on our behalf)	294	263	273	221	
Ensuring quality in manufacturing and supply	Regulatory inspections of our Pharmaceutical business	86	66	73	55	
	Regulatory inspections of our Vaccines business	49	45	46	34	
	Regulatory inspections of our Consumer Healthcare business	40	56	75	62	
	Total	175	167	194	151	

* We take responsibility for removing pollution and contaminants from soil, surface and ground water at facilities we have used previously, and at the disposal sites of waste management companies we have used.

** On October 31st 2018 we introduced a new system (GSK Study Register) which does not yet capture metrics. 2018 figures therefore only date up to October 31st providing an underestimate for the full year.

*** In 2018, we changed the way that we collect disciplinary data to improve clarity, for example removing a number of categories that we do not deem to be a behavioural policy violation (such as sanctions as a result of absence from work due to illness). The reduced number in 2018 reflects these changes.

Environmental Data Terminology

KPI	Definition	Comment
Reporting Boundary	<p>The published environmental data covers facilities owned or leased by GSK and its joint venture partners over which GSK has full operational control, except for small commercial offices and distribution centres, who are not required to report environmental impacts unless one of the following criteria are met:</p> <ul style="list-style-type: none"> – total energy usage >4750 MWh per annum – total water in is > 10,000 m3 per annum – total waste generated >250 tonnes per annum <p>This ensures that GSK is reporting > 95% of its environmental impacts.</p>	<p>GSK publish data aligned with the calendar year. However, December 2018 values include estimates when actual data were not available in time for publication. Data was restated for 2017 to correct for December estimates during that reporting period. Our baseline year for environmental targets is 2016.</p>
Energy	<p>This includes all purchased energy such as grid electricity, natural gas, coal, diesel and other fuels and renewably generated energy such as from solar, wind or biomass.</p> <p>Purchased renewable electricity is renewable electricity generated by a supplier that is purchased under a supply agreement that includes evidence of origin such as REC or REGOs.</p>	<p>Energy data is based on invoice data from utility companies and meter readings.</p>
Water	<p>This includes all water supplied to GSK. Captured rainwater and recycled water are measured and reported but not included in the 'total water used' calculation.</p> <p>Water used at high water risk sites: GSK mapped the geographic location of its sites against outputs from assessment tools such as WRI Aqueduct and WWF-DEG Water Risk Filter to identify sites in regions of high water stress. A more detailed water stewardship risk assessment covering water availability, water quality, the local regulatory framework and access to water and sanitation was then performed at sites to classify whether a site is determined to be a GSK high water risk site.</p>	<p>Water data is based on invoice data from suppliers and meter readings at our sites.</p> <p>GSK's 2030 target is to reduce net water use at each identified high water risk site. Net water use is all water supplied to GSK subtracting water recharged to aquifers for example at our sites in India.</p>
Waste water	<p>This includes all waste water sent to a municipal sewer, discharged to surface water after treatment on site, waste water used for irrigation, waste water used to recharge aquifers in accordance with local regulations.</p> <p>Liquid waste such as waste solvents that contain water are reported separately as wastes.</p>	<p>Waste water data is based on invoice data from utility companies, meter readings, or a calculation based on water use in the absence of a meter.</p>

Environmental Data Terminology continued

KPI	Definition	Comment
Carbon emissions	<p>GSK Scope 1 emissions cover emissions from the direct combustion of fuels on our sites to generate heat and electricity; emissions from our sales fleet vehicles; fugitive losses of propellant during the manufacturing of inhalers and losses from refrigerants used in GSK owned ancillary equipment.</p> <p>GSK Scope 2 emissions include any purchased electricity, steam, compressed air and chilled water.</p> <p>GSK report all 15 Scope 3 categories as detailed in the Greenhouse Gas protocol. Scope 3 data were prepared by GSK and quality assured by the Carbon Trust.</p>	<p>Carbon emissions are calculated as CO₂ equivalent per the GHG Protocol Corporate Accounting and Reporting Standard.</p> <p>Carbon emission factors for electricity and steam are taken from the International Energy Agency Statistics – CO₂ from Fuel Combustion 2017 edition. Carbon emission factors for combustion of natural gas, diesel, coal and other fuels are taken from the UK Government emission conversion factors for greenhouse gas company reporting 2017 edition.</p> <p>GSK reports market-based Scope 2 emissions for facilities when there is evidence from the utility provider.</p> <p>Carbon emissions for sales force travel and business travel by air and are calculated based on distance travelled, not directly on fuel use.</p> <p>Carbon emissions from refrigerant losses are based on the quantities of refrigerant used to top up equipment.</p> <p>Biogenic emissions are reported separately but not included in the Scope 1 & 2 total emissions.</p>
Waste	<p>'Waste generated' is the operational waste that leaves GSK boundaries.</p> <p>'Beneficial use' waste is defined as waste sent for recycling, re-use, or incineration with energy recovery.</p> <p>'Non-beneficial use' waste is defined as waste disposed by either incineration with no energy recovery, or sent to landfill.</p>	<p>Waste data is based on invoices and waste transfer note data.</p>
Ozone depleting substances contained in equipment	<p>We report the ozone depleting potential for the total amount of ozone depleting substances contained in ancillary equipment as kg CFC-11 equivalents.</p>	<p>The total amount of ozone depleting substances is based on site inventory data multiplied by the ozone depleting potential factors from the Intergovernmental Panel on Climate Change.</p> <p>We estimate the impact of fugitive losses for these refrigerants.</p>
GSK reportable incident	<p>A GSK reportable injury or illness meets the following criteria: 1. The affected individual is either a GSK employee or a complementary worker under direct GSK daily supervision; and 2. The incident is work related; and 3. The outcome has involved at least one of the following: A fatality; Loss of consciousness; Medical treatment beyond first aid; A significant occupational injury or occupational illness diagnosed by a physician or other licensed health care professional; Restricted days / change of job duties / days away from work; and 4. Must be a new case.</p>	<p>To be consistent in our global reporting, a GSK reportable injury or illness meets these listed criteria. These criteria are different from national regulatory reporting requirements which vary across the world.</p>

United Nations Global Compact

GSK is a signatory to the UN Global Compact (UNGC). The Compact challenges business to operate according to ten principles covering bribery and corruption, human rights, labour and the environment. The following Index is structured according to the 21 criterion for an Advanced Level Communication on Progress (COP) and is compiled from our 2018 Annual Report and the gsk.com website.

Statement of support from the CEO

“GSK remains committed to upholding the UNGC’s Ten Principles on human rights, the environment and anti-corruption. We aim to do this through embedding our policies and standards across our business and remaining true to our values and our purpose: to help people do more, feel better, live longer.”




Emma Walmsley
Chief Executive Officer
March 2019



United Nations Global Communication on Progress 2017

Implementing the principles into strategies				
1	Mainstreaming into corporate functions and business units	Place responsibility for execution of sustainability strategy in relevant corporate functions (procurement, government affairs, human resources, legal, etc.) ensuring no function conflicts with company's sustainability commitments and objectives	Our governance structure	
		Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy	Our long-term priorities apply to our three businesses	p.7
		Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary	Our governance structure	
2	Describes value chain implementation	Communicate policies and expectations to suppliers and other relevant business partners	Working with third parties	p.31
		Implement monitoring and assurance mechanisms (e.g. audits/ screenings) for compliance within the company's sphere of influence	Working with third parties	p.31
		Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners	Working with third parties Carbon	p.31 p.32
Robust human rights management policies and procedures				
3	Robust commitments, strategies or policies in the area of human rights	Commitment to comply with all applicable laws and respect internationally recognised human rights, wherever the company operates	GSK Human rights statement	
		A Integrated or stand-alone statement of policy expressing commitment to respect and support human rights approved at the most senior level of the company	GSK Human rights statement	
		Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties	GSK Human rights statement	
4	Describes effective management systems to integrate the human rights principles	On-going due diligence process that includes an assessment of actual and potential human rights impacts	Human rights	p.31
		Allocation of responsibilities and accountability for addressing human rights impacts	Human rights	p.31
5	Describes effective monitoring and evaluation mechanisms of human rights integration	Any relevant policies, procedures, and activities that the company plans to undertake to fulfil this criterion, including goals, timelines, metrics, and responsible staff	Human rights GSK Human rights statement	p.31
		System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain	Human rights GSK Human rights statement	p.31

United Nations Global Communication on Progress 2017 continued

Robust labour management policies and procedures continued				
6	Describes robust commitments, strategies or policies in the area of labour	Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies	GSK Human rights statement	
		Inclusion of reference to the principles contained in the relevant international labour standards in contracts with suppliers and other relevant business partners	Human rights	⊕ p.31
7	Describes effective management systems to integrate the labour practices	Risk and impact assessments in the area of labour	Working with third parties	⊕ p.31
		Grievance mechanisms, communication channels and other procedures (e.g. whistleblower mechanisms) available for workers to report concerns, make suggestions or seek advice, designed and operated in agreement with the representative organisation of workers	Ethics and values	⊕ p.30
8	Describes effective monitoring and evaluation mechanisms of labour principles integration	Audits or other steps to monitor and improve the working conditions of companies in the supply chain, in line with principles of international labour standards.	Working with third parties	⊕ p.31
		Process to positively engage with the suppliers to address the challenges through schemes to improve workplace practices	Working with third parties	⊕ p.31
Robust environmental management policies and procedures				
9	Describes robust commitments, strategies or policies in the area of environmental stewardship	Reflection on the relevance of environmental stewardship for the company	Environment	⊕ p.32-33
		Written company policy on environmental stewardship	Climate change and GSK's operations	
		Inclusion of minimum environmental standards in contracts with suppliers and to relevant business partners	Working with third parties Carbon	⊕ p.31 ⊕ p.32
		Specific commitments and goals for specified years	Environment	⊕ p.32
10	Describes effective management systems to integrate the environmental principles	Environmental risk and impact assessments	Environment Water stewardship policy	⊕ p.32
		Allocation of responsibilities and accountability within the organisation	Our governance structure	
11	Describes effective monitoring and evaluation mechanisms for environmental stewardship	System to track and measure performance based on standardised performance metrics	Environment	⊕ p.32
		Audits or other steps to monitor and improve the environmental performance of companies in the supply chain	Working with third parties Carbon	⊕ p.31 ⊕ p.32

United Nations Global Communication on Progress 2017 continued

Robust anti-corruption management policies and procedures				
12	Describes robust commitments, strategies or policies in the area of anti-corruption	Publicly stated formal policy of zero-tolerance of corruption	Ethics and values Anti-Bribery and Corruption Policy	⊕ p.30
		Policy on anti-corruption regarding business partners	Anti-Bribery and Corruption Policy Third party guidelines	📄
13	Describes effective management systems to integrate the anti-corruption principle	Support by the organisation's leadership for anti-corruption	Ethics and values	⊕ p.30
		Internal checks and balances to ensure consistency with the anti-corruption commitment	Ethics and values	⊕ p.30
		Management responsibility and accountability for implementation of the anti-corruption commitment or policy	Ethics and values	⊕ p.30
		Communications (whistle blowing) channels and follow-up mechanisms for reporting concerns or seeking advice	Ethics and values Speak-up integrity line	⊕ p.30
14	Describes effective monitoring and evaluation mechanisms for the integration of anti-corruption	Leadership review of monitoring and improvement results	Ethics and values	⊕ p.30
Taking action in support of the global goals				
15	Describes core business contributions to UN goals and issues	Align core business strategy with one or more relevant UN goals/issues	SDG factsheet	📄
		Develop relevant products and services or design business models that contribute to UN goals/issues	Science and technology	⊕ p.25
16	Describes strategic social investments and philanthropy	Pursue social investments and philanthropic contributions that tie in with the core competencies or operating context of the company as an integrated part of its sustainability strategy	Affordability and availability Community volunteering	⊕ p.27 ⊕ p.29
		17	Describes advocacy and public policy engagement	Publicly advocate the importance of action in relation to one or more UN goals/issues
Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues	SDG factsheet			📄
Taking action in support of the global goals continued				
18	Describes partnerships and collective action	Develop and implement partnership projects with public or private organisations on core business, social investments and/or advocacy	Product reach and healthcare access	⊕ p.27

United Nations Global Communication on Progress 2017 continued

Join industry peers, UN entities and/or other stakeholders in initiatives contributing to solving common challenges and dilemmas at the global and/or local levels with an emphasis on initiatives extending the company's positive impact on its value chain

[Product reach and healthcare access](#) ⊕ p.27

Corporate sustainability governance and leadership

19	Describes CEO commitment and leadership	CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact	UNGC COP CEO statement	
		CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards	CEO's statement	⊕ p.3
20	Describes Board adoption and oversight	Board of Directors (or equivalent) assumes responsibility and oversight of long-term corporate sustainability strategy and performance	CR Committee report CEO's statement	⊕ p.3
		Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability	CR Committee report	⊕ p.92
		Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)	CR Committee report Our governance	⊕ p.93
21	Describes stakeholder engagement	Publicly recognises responsibility for the company's impacts on internal and external stakeholders	Stakeholder engagement	⊕ p.11
		Define sustainability strategies, goals and policies in consultation with key stakeholders	Stakeholder engagement	⊕ p.11
		Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle blowers'	Ethics and values Speak up integrity	⊕ p.30 🖱️

Global Reporting initiative guidelines

While we do not base our report on the GRI guidelines, we have produced a GRI index to show which elements of the GRI Standards are covered in our 2018 reporting, to help comparison with other company reports.

Global Reporting initiative guidelines

GRI standard number	Description	Page number	Link
General disclosures			
102-1	Name of the organization	GlaxoSmithKline PLC	
102-2	Activities, brands, products, and services	13-23	http://www.annualreport.gsk.com
102-3	Location of headquarters	Brentford, Middlesex, TW8 9GS, UK	
102-4	Location of operations	Over 150 countries	
102-5	Ownership and legal form	251	http://www.annualreport.gsk.com
102-6	Markets served	1	http://www.annualreport.gsk.com
102-7	Scale of the organisation	1	http://www.annualreport.gsk.com
102-8	Information on employees and other workers	28-29	http://www.annualreport.gsk.com
102-9	Supply chain	29-31	http://www.annualreport.gsk.com
102-10	Significant changes to the organisation and its supply chain	3,17, 20, 23	http://www.annualreport.gsk.com
102-11	Precautionary principle or approach	66-92	http://www.annualreport.gsk.com
102-12	Externally developed economic, environmental and social charters, principles, or other initiatives to which the organization subscribes or which it endorses.	24-33	http://www.annualreport.gsk.com
102-13	Membership of associations	All	https://www.gsk.com/en-gb/responsibility/responsibility-reports-data/patient-group-funding/ https://www.gsk.com/en-gb/responsibility/responsibility-reports-data/trade-association-memberships/
102-14	Statement from senior decision-maker	3	http://www.annualreport.gsk.com
102-16	Values, principles, standards and norms of behaviour	30-31	http://www.annualreport.gsk.com
102-18	Governance structure of the organization, including committees of the highest governance body responsible for decision-making on economic, environmental and social topics	All	https://www.gsk.com/en-gb/responsibility/
102-40	List of stakeholder groups	11	http://www.annualreport.gsk.com
102-42	Identifying and selecting stakeholders	All	https://gsk.com/media/5327/materiality-assessment-2018.pdf
102-43	Approach to stakeholder engagement	11	http://www.annualreport.gsk.com
102-44	Key topics and concerns raised	All	https://gsk.com/media/5327/materiality-assessment-2018.pdf
102-48	Restatements of information	TBC	http://www.annualreport.gsk.com

Global Reporting initiative guidelines continued

GRI standard number	Description	Page number	Link
102-49	Changes in reporting	40	http://www.annualreport.gsk.com
102-50	Reporting period	Jan-Dec 2018	
102-51	Date of most recent report	12/03/2019	
102-52	Reporting cycle	Annual	
102-53	Contact point for questions regarding the report	csr.contact@gsk.com	
102-54	Claims of reporting in accordance with the GRI Standards	All	https://www.gsk.com/en-gb/responsibility/responsibility-reports-data/reporting-archive-and-resources/
102-55	GRI content index		
102-56	External assurance	19-20	This document
Specific standard disclosures			
Economic			
103-1	Economic performance Generic disclosures on Management Approach	All	https://gsk.com/media/5327/materiality-assessment-2018.pdf
201-1	Direct economic value generated and distributed	158	http://www.annualreport.gsk.com
103-1	Indirect economic impacts Generic disclosures on Management Approach	All	https://gsk.com/media/5327/materiality-assessment-2018.pdf
203-2	Significant indirect economic impacts, including the extent of impacts	26-27	http://www.annualreport.gsk.com
103-1	Anti-corruption Generic disclosures on Management Approach	All	https://gsk.com/media/5327/materiality-assessment-2018.pdf
205-2	Communications and training on anti-corruption	30	http://www.annualreport.gsk.com
Social			
103-1	Occupational health and safety Generic disclosures on Management Approach	All	https://gsk.com/media/5327/materiality-assessment-2018.pdf
403-2	Rates of injury, occupational diseases, lost days, absenteeism, work related fatalities	29	https://gsk.com/media/5327/materiality-assessment-2018.pdf

Global Reporting initiative guidelines continued

GRI standard number	Description	Page number	Link
103-1	Training and education Generic disclosures on Management Approach	All	https://gsk.com/media/5327/materiality-assessment-2018.pdf
404-3	Employees receiving regular performance and career development reviews	29	http://www.annualreport.gsk.com
103-1	Diversity Generic disclosures on Management Approach	All	https://gsk.com/media/5327/materiality-assessment-2018.pdf
405-1	Diversity of governance bodies and employees	28	http://www.annualreport.gsk.com
Society			
103-1	Marketing and labelling Generic disclosures on Management Approach	All	https://gsk.com/media/5327/materiality-assessment-2018.pdf
417-2	Incidents of non-compliance concerning product and service information and labelling	29	http://www.annualreport.gsk.com
103-1	Human rights Generic disclosures on Management Approach	All	https://gsk.com/media/5327/materiality-assessment-2018.pdf
412-3	Employee training on human rights policies and procedures	26-27	http://www.annualreport.gsk.com

Independent Limited Assurance Report

to the Directors of GlaxoSmithKline plc

GlaxoSmithKline plc ("GSK") commissioned DNV GL Business Assurance Services UK Limited ("DNV GL", "us" or "we") to conduct a limited assurance engagement over Selected Information presented in the ESG Performance summary 2018 (the "Report"), for the year ended 31st December 2018.

Our Conclusion



Based on the procedures we have performed and the evidence we have obtained, nothing has come to our attention that causes us to believe that the Selected Information is not fairly stated and has not been prepared, in all material respects, in accordance with the Criteria.

This conclusion relates only to the Selected Information, and is to be read in the context of this Assurance Statement, in particular the inherent limitations explained overleaf.

Our competence, independence and quality control

DNV GL established policies and procedures are designed to ensure that DNV GL, its personnel and, where applicable, others are subject to independence requirements (including personnel of other entities of DNV GL) and maintain independence where required by relevant ethical requirements. This engagement work was carried out by an independent team of sustainability assurance professionals. DNV GL holds other audit and assurance contracts with GSK, none of which conflict with the scope of this work. Our multi-disciplinary team consisted of professionals with a combination of environmental and sustainability assurance experience.

Our Observations

Our observations and areas for improvement will be raised in a separate report to GSK's Management. Selected observations are provided below. These observations do not affect our conclusion set out to the left.

- We commend the transparency and commitment to a low carbon future that GSK has demonstrated by including Purchased Renewable Electricity (million GJ) as an environmental indicator in 2018. We recommend that GSK continues to improve the accuracy of reporting against this indicator by establishing a robust procedure for collating market based factors from sites.
- A strong health and safety culture was observed during DNV GL's site visits, and is further enforced centrally through the production of clear and detailed guidance documentation. This robust system led, in part, to no observations on health and safety being made at a site level.
- For Scope 1 emissions, we saw an opportunity to make better use of the comprehensive data received from business partners for sales force vehicles, to improve the accuracy of its emissions calculations. We recommend that GSK asks its sites to upload this data to its global reporting platform so it can be used in future reporting periods.
- We found that refrigerant data was missing from some sites. Whilst this did not materially impact the overall emissions, we recommend that GSK works to capture refrigerant data from all relevant sites in the next reporting cycle.
- GSK could improve its global reporting platform by setting triggers to highlight when waste and water data submissions exceed pre-set variances.

Selected Information

The scope and boundary of our work is restricted to the Environmental, Health and Safety (EHS) performance data included within the Report (the "Selected Information"), listed below:

- | | |
|--|---|
| ▪ Total Energy (million GJ) | ▪ Total non-beneficial use waste (thousand tonnes) |
| ▪ Purchased Renewable Electricity (million GJ) | ▪ Total overall waste (thousand tonnes) |
| ▪ Total Scope 1 and 2 GHG emissions (thousands of tonnes CO ₂ e) | ▪ Total waste to landfill (thousand tonnes) |
| ▪ Selected Scope 3 GHG emissions (thousands of tonnes CO ₂ e) (use of inhalers) | ▪ Number of fatalities |
| ▪ Total water use (million m ³) | ▪ Reportable incidents with lost time |
| ▪ Total wastewater discharged (million m ³) | ▪ Lost time reportable injury and illness rate (per 100,000 hours worked) |
| ▪ Water use at high water risk sites (million m ³) | ▪ Reportable incidents with and without lost time |
| ▪ Total beneficial use waste (thousand tonnes) | ▪ Reportable injury and illness rate (per 100,000 hours worked) |

To assess the Selected Information, which includes an assessment of the risk of material misstatement in the Report, we have used GSK's EHS Technical Support Documents (the "Criteria"), a summary can be found on pages 8 and 9 of the Report.

We have not performed any work, and do not express any conclusion, on any other information that may be published in the Report or on GSK's website for the current reporting period or for previous periods.

Standard and level of assurance

We performed a **limited** assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 revised – ‘Assurance Engagements other than Audits and Reviews of Historical Financial Information’ (revised), issued by the International Auditing and Assurance Standards Board. This standard requires that we comply with ethical requirements and plan and perform the assurance engagement to obtain limited assurance.

DNV GL applies its own management standards and compliance policies for quality control, in accordance with ISO/IEC 17021:2011 - Conformity Assessment Requirements for bodies providing audit and certification of management systems, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement; and the level of assurance obtained is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We planned and performed our work to obtain the evidence we considered sufficient to provide a basis for our opinion, so that the risk of this conclusion being in error is reduced but not reduced to very low.

Basis of our conclusion

We are required to plan and perform our work in order to consider the risk of material misstatement of the Selected Information; our work included, but was not restricted to:

- Assessing the appropriateness of the Criteria for the Selected Information;
- Conducting interviews with GSK’s management to obtain an understanding of the key processes, systems and controls in place to generate, aggregate and report the Selected Information;
- Site visits to Aranda (Spain), Barnard Castle (UK) and Rixensart (Belgium) to review process and systems for preparing site level data consolidated at GSK’s Ware (UK) site. DNV GL were free to choose the sites on the basis of materiality and their contribution to the group’s overall data;
- Performing limited substantive testing on a selective basis of the Selected Information to check that data had been appropriately measured, recorded, collated and reported;
- Recalculating the Selected Information using suitable conversion factors and/or as established by GSK’s Criteria;
- Reviewing data at source and following this through to consolidated group data;
- Reviewing information provided by GSK’s third party contractors;
- Reviewing that the evidence, measurements and the scope provided to us by GSK for the Selected Information is prepared in line with the Criteria; and
- Reading the Report and narrative accompanying the Selected Information within it with regard to the Criteria.

DNV GL Business Assurance Services UK Limited

London, UK
12th March 2019



DNV·GL

Inherent limitations

All assurance engagements are subject to inherent limitations as selective testing (sampling) may not detect errors, fraud or other irregularities. Non-financial data may be subject to greater inherent uncertainty than financial data, given the nature and methods used for calculating, estimating and determining such data. The selection of different, but acceptable, measurement techniques may result in different quantifications between different entities. Our assurance relies on the premise that the data and information provided to us by GSK have been provided in good faith. DNV GL expressly disclaims any liability or co-responsibility for any decision a person or an entity may make based on this Assurance Statement.

Responsibilities of the Directors of GSK and DNV GL

The Directors of GSK have sole responsibility for:

- Preparing and presenting the Selected information in accordance with the Criteria;
- Designing, implementing and maintaining effective internal controls over the information and data, resulting in the preparation of the Selected Information that is free from material misstatements;
- Measuring and reporting the Selected Information based on their established Criteria; and
- Contents and statements contained within the Report and the Criteria.

Our responsibility is to plan and perform our work to obtain limited assurance about whether the Selected Information has been prepared in accordance with the Criteria and to report to GSK in the form of an independent limited assurance conclusion, based on the work performed and the evidence obtained. We have not been responsible for the preparation of the Report.

DNV GL Business Assurance

DNV GL Business Assurance Services UK Limited is part of DNV GL – Business Assurance, a global provider of certification, verification, assessment and training services, helping customers to build sustainable business performance. www.dnvgl.co.uk/BetterAssurance

Read more online

Please see our [public policy page](#) for our positions on a number of issues including:

- Anti-microbial resistance
- Care, welfare and treatment of animals
- Clinical trials in the developing world
- Cloning and Stem cell technologies
- Code of conduct
- Deforestation free sourcing
- Impact of climate change on health
- Genetically modified micro-organisms and Environment, Health and Safety (EHS)
- Marketing practices and scientific engagement
- Nanotechnology
- Ozone depletion and metered-dose inhalers for asthma
- Pharmaceuticals in the environment (PiE)
- Pharmacovigilance
- Tax strategy
- Working with third parties

On [gsk.com](#) we provide more information on a number of topics including:

- [Human rights](#)
- [SDGs](#)
- [Political advocacy](#)
- [Patient group funding](#)
- [Trade association memberships](#)
- [Charitable grant contributions](#)

Your feedback counts

We welcome your feedback on our responsible business performance and reporting. Please contact us at csr.contact@gsk.com. You can also request to receive regular updates on our progress.