

## United Nations Global Compact Communication on Progress 2017

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 2017 Responsible Business Supplement, 2017 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, GSK, March 2018

<b>Implementing the principles into strategies and operations</b>	
<b>Criterion 1: Mainstreaming into corporate functions and business units</b>	
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	<a href="#">Our governance structure</a>
Align strategies, goals and incentive structures of all business units and subsidiaries with corporate sustainability strategy	Our people – p.18 <a href="#">Annual report</a> How our three businesses together contribute to our Trust priority – p.42-51
Assign responsibility for corporate sustainability implementation to an individual or group within each business unit and subsidiary	<a href="#">Our governance structure</a>
<b>Criterion 2: Describes value chain implementation</b>	
Communicate policies and expectations to suppliers and other relevant business partners	Working with third parties – p.15
Implement monitoring and assurance mechanisms (e.g. audits/ screenings) for compliance within the company’s sphere of influence	Working with third parties – p.15
Undertake awareness-raising, training and other types of capacity building with suppliers and other business partners	Working with third parties – p.15 Aiming to be carbon neutral – p.19
<b>Robust human rights management policies and procedures</b>	
<b>Criterion 3: Robust commitments, strategies or policies in the area of human rights</b>	
Commitment to comply with all applicable laws and respect internationally recognised human rights, wherever the company operates	<a href="#">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	<a href="#">GSK Human rights statement</a>
Statement of policy publicly available and communicated internally and externally to all personnel, business partners and other relevant parties	<a href="#">GSK Human rights statement</a>
<b>Criterion 4: Describes effective management systems to integrate the human rights principles</b>	
On-going due diligence process that includes an assessment of actual and potential human rights impacts	Human rights – p.15
Allocation of responsibilities and accountability for addressing human rights impacts	Human rights p.15
<b>Criterion 5: Describes effective monitoring and evaluation mechanisms of human rights integration</b>	
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 p.15 <a href="#">GSK Human rights statement</a>
System to monitor the effectiveness of human rights policies and implementation with quantitative and qualitative metrics, including in the supply chain	Human rights p.15 <a href="#">GSK Human rights statement</a>

<b>Robust labour management policies and procedures</b>	
<b>Criterion 6: Describes robust commitments, strategies or policies in the area of labour</b>	
Reference to principles of relevant international labour standards (ILO Conventions) and other normative international instruments in company policies	<a href="#">GSK Human rights statement</a>
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.15
<b>Criterion 7: Describes effective management systems to integrate the labour practices</b>	
Risk and impact assessments in the area of labour	Working with third parties/ Human rights – p.15
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	Ethical conduct – p.12
<b>Criterion 8: Describes effective monitoring and evaluation mechanisms of labour principles integration</b>	
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.15
Process to positively engage with the suppliers to address the challenges through schemes to improve workplace practices	Working with third parties – p.15
<b>Robust environmental management policies and procedures</b>	
<b>Criterion 9: Describes robust commitments, strategies or policies in the area of environmental stewardship</b>	
Reflection on the relevance of environmental stewardship for the company	Our planet – p.19
Written company policy on environmental stewardship	<a href="#">Climate change and GSK's operations</a>
Inclusion of minimum environmental standards in contracts with suppliers and to relevant business partners	Working with third parties – p.15 Aiming to be carbon neutral – p.19
Specific commitments and goals for specified years	Our planet – p.19-20
<b>Criterion 10: Describes effective management systems to integrate the environmental principles</b>	
Environmental risk and impact assessments	Our planet – p.19-20 Commitment to CEO Water mandate: <a href="#">Water stewardship policy</a>
Allocation of responsibilities and accountability within the organisation	<a href="#">Our governance structure</a>
<b>Criterion 11: Describes effective monitoring and evaluation mechanisms for environmental stewardship</b>	
System to track and measure performance based on standardised performance metrics	Data summary – p.24
Audits or other steps to monitor and improve the environmental performance of companies in the supply chain	Working with third parties – p.15 Aiming to be carbon neutral – p.19
<b>Robust anti-corruption management policies and procedures</b>	
<b>Criterion 12: Describes robust commitments, strategies or policies in the area of anti-corruption</b>	
Publicly stated formal policy of zero-tolerance of corruption	Ethical conduct p.12 <a href="#">Anti-Bribery and Corruption Policy</a>
Policy on anti-corruption regarding business partners	<a href="#">Anti-Bribery and Corruption Policy</a> <a href="#">Third party guidelines</a>
<b>Criterion 13: Describes effective management systems to integrate the anti-corruption principle</b>	
Support by the organisation's leadership for anti-corruption	Ethical conduct – p.12
Internal checks and balances to ensure consistency with the anti-corruption commitment	Ethical conduct – p.12
Management responsibility and accountability for implementation of the anti-corruption commitment or policy	Ethical conduct – p.12

Communications (whistle blowing) channels and follow-up mechanisms for reporting concerns or seeking advice	Ethical conduct – p.12 <a href="#">Speak-up integrity line</a>
<b>Criterion 14: Describes effective monitoring and evaluation mechanisms for the integration of anti-corruption</b>	
Leadership review of monitoring and improvement results	Ethical conduct – p.12
<b>Taking action in support of the global goals</b>	
<b>Criterion 15: Describes core business contributions to UN goals and issues</b>	
Align core business strategy with one or more relevant UN goals/issues	Contributing to the global goals– p.25 <a href="#">GSK SDGs public policy</a>
Develop relevant products and services or design business models that contribute to UN goals/issues	Health for all – p.7-11 Addressing human rights – p.15
<b>Criterion 16: Describes strategic social investments and philanthropy</b>	
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	Better access to medicines and vaccines – p.8 Community volunteering– p.18
<b>Criterion 17: Describes advocacy and public policy engagement</b>	
Publicly advocate the importance of action in relation to one or more UN goals/issues	Contributing to the global goals– p.25 <a href="#">GSK SDGs public policy</a>
Commit company leaders to participate in key summits, conferences, and other important public policy interactions in relation to one or more UN goals/issues	Contributing to the global goals– p.25 <a href="#">GSK SDGs public policy</a>
<b>Criterion 18: Describes partnerships and collective action</b>	
Develop and implement partnership projects with public or private organisations on core business, social investments and/or advocacy	Health for all – p.7-11
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	Health for all p.7-11
<b>Corporate sustainability governance and leadership</b>	
<b>Criterion 19: Describes CEO commitment and leadership</b>	
CEO publicly delivers explicit statements and demonstrates personal leadership on sustainability and commitment to the UN Global Compact	UNGC COP CEO statement CEO's statement p.2
CEO promotes initiatives to enhance sustainability of the company's sector and leads development of industry standards	CEO's statement p.2
<b>Criterion 20: Describes Board adoption and oversight</b>	
Board of Directors (or equivalent) assumes responsibility and oversight of long-term corporate sustainability strategy and performance	CR Chairman's statement p.2 CEO's statement p.2
Board establishes, where permissible, a committee or assigns an individual board member with responsibility for corporate sustainability	CR Chairman's statement p.2
Board (or committee), where permissible, approves formal reporting on corporate sustainability (Communication on Progress)	CR Chairman's statement p.2 <a href="#">Our governance structure</a>
<b>Criterion 21: Describes stakeholder engagement</b>	
Publicly recognises responsibility for the company's impacts on internal and external stakeholders	Our approach to responsible business – p.3 Engaging with stakeholders – p.21
Define sustainability strategies, goals and policies in consultation with key stakeholders	Engaging with stakeholders – p.21 <a href="#">GSK materiality process</a>
Establish channels to engage with employees and other stakeholders to hear their ideas and address their concerns, and protect 'whistle blowers'	Ethical conduct – p.12 <a href="#">Speak-up integrity line</a>