

Corporate Policy: ACCEPTANCE OF ENTERTAINMENT & GIFTS BY GSK EMPLOYEES

Official Short Title: Acceptance of Entertainment & Gifts

Key Requirements

- GSK’s reputation and the respect of those with whom it deals are among its most vital assets. These assets must not be jeopardized by acceptance of any entertainment, gift or other favor intended to or perceived by others to influence the business judgment of the recipient.
- Adherence to high standards of ethical conduct, integrity and legal compliance (See also [Code of Conduct](#), POL-GSK-001);
- Avoidance of conflicts of interests and the perception of impropriety (See also [Conflicts of Interest](#), POL-GSK-006)

Why do we have this policy?

GSK is committed to high standards of business conduct. Inappropriate entertainment and gifts can create conflicts of interest or at least the appearance that employees’ business judgments in decisions on behalf of GSK are being improperly influenced by what they receive from third parties. This can harm GSK’s good reputation and its relationships with external parties.

| Where does this policy apply? | |
|-------------------------------|---|
| Global | ✓ |

What does this policy say?

| | | | |
|------------------------------|---|--|--|
| Purpose & Application | <ol style="list-style-type: none"> Purpose Scope | Who in GSK has obligations under this policy? | |
| Specific Requirements | <ol style="list-style-type: none"> Responsibility Entertainment Gifts Communication of Issues | | |
| Definitions & Administration | <p>Glossary Administration</p> <p>Waivers Appendix</p> <p>Related Policies and Procedures</p> | <p>Contacts: Corporate Ethics & Compliance Tel: 1-866-GSK Ethics Email:</p> | |

Purpose & Application

1. Purpose

This policy provides the standards and limitations governing the acceptance of entertainment and gifts from any person, organization or agency related to, or associated with, GlaxoSmithKline's business activities.

2. Scope

This policy applies to all GSK employees world-wide, within all sectors, regions, areas

and functions.

Specific Requirements

3. Responsibility

3.1 Responsibilities & Accountability

All GSK employees are responsible for compliance with this policy.

3.2 Manager's Basic Duties

Senior management of GSK, in all sectors, functions and regions are ultimately responsible for ensuring that this policy is communicated to all of their employees and that their employees comply with this policy.

4. Entertainment

While it is not practical to describe every circumstance that might lead an employee into conflict with the aims and interests of GSK, the following examples should act as a guide. If you are in doubt, follow the procedures under section 6 - Communication of Issues; disclose the situation to your supervisor or a Compliance Officer and seek appropriate guidance.

4.1 Employees may accept entertainment when it is:

- Lawful and ethical;
- Occasional;
- Customary and reasonable in value; and
- In support of GSK's business and not just for the employee's well being or use.

4.2 Costs of *travel and overnight accommodation* should NOT be accepted as these are not considered entertainment which is reasonable in value.

4.3 In other cases, for example the cost of a meal or a ticket for a sports event, it is recommended that you apply the "New York Times" test: if a friend, colleague or third party were to read in the New York Times or another newspaper in your country that you had accepted this entertainment, would you be embarrassed and concerned that the reader might suspect that your business judgement could have been influenced? If so, you should not accept the entertainment.

5. Gifts

- 5.1 Employees may accept gifts of nominal value (e.g., pens, mugs, calendars, etc.) when such gifts are:
- Infrequent; and
 - Customary in a business relationship.
- 5.2 Gifts of greater than nominal value should be politely declined and returned to the sender in a timely manner. In the rare circumstance where it would be awkward to return such a gift, the gift should be handed over to Human Resources for appropriate disposition.
- 5.3 Employees may accept frequent flyer miles awarded by airlines for business travel for GSK, provided that the travel option selected is in accordance with the corporate travel policy and is solely based on the best interest of GSK in terms of cost, timing and good procurement practices.
- 5.4 **Individual Sectors, Regions or functions have the discretion to establish stricter limitations than those set forth in this policy.**
- 5.5 Except as permitted under sections 4 and 5 above, employees (and members of their immediate family) must not accept or solicit, directly or indirectly, from any vendor or supplier of GSK, current or potential, any entertainment or gifts, including, but not limited to:
- Vacations;
 - Cash payments;
 - Cash equivalents (e.g., gift certificate, cheque);
 - Services;
 - Loans (except as private individuals from banks or other financial institutions); or
 - Discounts (except those offered to employees of GSK generally)

6. Communication of Issues

- 6.1 If an employee has any doubt about whether it is appropriate to accept entertainment or a gift, you must promptly disclose the situation to your supervisor or a Compliance Officer and seek appropriate guidance before taking any action. Generally, by receiving clearance from your supervisor or a Compliance Officer, you should be protected from charges of violating this policy and from any appearance of impropriety.

Definitions & Administration

Glossary

None

Administration

Approval: GSK Corporate Executive Team

Sponsor: GSK General Counsel

Author: GSK Corporate Ethics & Compliance

Date: 5 June 2007

History: New GSK Policy; supersedes SBCC-36 and GW Code of Conduct

- Version 2 revises the original policy to use the new format template

Waivers

None

Appendix

None

Related Policies and Procedures

POL-GSK-001 – Code of Conduct

POL-GSK-006 – Conflicts of Interest