



GSK Responsible Business Supplement

2017

About this supplement

By being commercially successful and operating responsibly, we will improve people's health and create value for both shareholders and society.

This report provides a performance update against our 23 responsible business commitments across four key areas: Health for all, Our behaviour, Our people and Our planet.

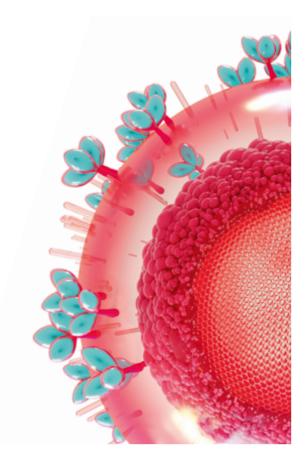
The information in this report is supplemental to the information in GSK's Annual Report.

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Cover image

GSK's dolutegravir-based medicines provide a much-needed treatment option to people living with HIV. Find out more on page 11 about how we are supporting access to dolutegravir in Brazil, Botswana and through the Medicines Patent Pool.





CR Committee Chairman's statement



"We have made great progress on the 23 commitments we set five years ago"

As a global healthcare company, there is an expectation from our stakeholders for GSK to deliver long-term value for both shareholders and society. Indeed, companies' contribution to meeting society's challenges are being scrutinised as never before. The challenge to meet these expectations therefore remains of strategic importance to the Company. As Chair of the Corporate Responsibility Committee, together with my fellow Committee members, I support the Board in assessing how the Company is operating in a way that seeks to meet these expectations and the extent to which this is embedded with its strategy.

In 2017, the Committee worked with Emma and her team to challenge and shape GSK's responsible business agenda. A key focus during the year has been reviewing activity to support the Company's new long-term priorities of Innovation, Performance and Trust, including global health and environment, health and safety issues. Building trust among partners, customers and society is critical to being a sustainable business and will enable GSK to continue creating value and delivering wider economic benefits to society.

Part of the role of the Committee is to keep a close eye on the evolving views of the Company's key stakeholders. In 2017, the Committee held a discussion on the trends and stakeholder expectations that are likely to influence trust in and performance of GSK over the long term.

We are pleased to take note that investors are increasingly looking to incorporate environmental, social and governance (ESG) factors alongside traditional financial analysis when determining the long-term value of a company. The Committee believes ESG issues to be a strong factor in long-term company success and fully supports this direction of travel.

The role of the Committee includes monitoring the Company's efforts to engage effectively with its key stakeholders and I welcome the enhanced content on stakeholder engagement in this Supplement. I also once again welcome external insight from Aron Cramer, President and CEO of BSR.

We have made great progress on the 23 commitments we set five years ago and this document sets out our performance on each in 2017. The Company is well positioned to transition to new targets later in 2018 that support our long-term strategic Trust priority.

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Lynn ElsenhansChair of GSK's Corporate Responsibility Committee

CEO's statement



"Later this year, we will launch a new set of focused long-term commitments to demonstrate our continuing commitment to deliver societal value."

It is a great honour to be leading GSK and I would like to thank Lynn for her leadership as Chair of the Corporate Responsibility Committee which oversees our responsibility to deliver long-term value to society. I am pleased to introduce our 2017 Responsible Business Supplement.

Our company has an important purpose, to help people do more, feel better, live longer. We have a long history in tackling some of the world's biggest health challenges. I know this is important to employees, and it was certainly important for me when I joined the company. Our commitment to improving global health and being a responsible business will continue under my leadership.

Investors, patients and consumers, employees and communities rightly expect companies to consider their social impact as well as financial impact as they seek to create value over the long term. Since starting in this role, I have taken the opportunity to understand the views of a broad range of stakeholders. The feedback I received played a big part in the development of our new, balanced set of long-term priorities for GSK – Innovation, Performance and Trust. We are investing in all three to deliver financial returns and a broader long-term societal contribution.

Later this year, we will launch a new set of focused, long-term commitments to demonstrate our continuing commitment to deliver societal value. The biggest impact we can have is to use our scientific and technical know-how to address global health needs – like HIV and malaria. We need to support sustainable access to our high-quality products. We must also be a responsible business, with modern employer practices, to support our talented people to give their very best.

Independent benchmarking is also very important and I am pleased that during the year our performance has been recognised by our improved position in the Dow Jones Sustainability Index, our achievement in leading the industry in both the first Access to Vaccines Index and the Antimicrobial Resistance Benchmark and our number one position in the first AllTrials Transparency Index on clinical trials reporting. Of course, none of this would be possible without the hard work of our employees and partners. I am grateful for all their efforts and look forward to working with them in 2018 and beyond.

Emma Walmsley
Chief Executive Officer

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Our approach to responsible business

Our approach to responsible business supports our purpose to help people do more, feel better and live longer.

Investors, patients and consumers, employees and communities expect companies to consider their social and environmental, as well as financial, impact as they seek to create value over the long term.

Our approach to responsible business supports our purpose to help people do more, feel better and live longer. We focus on researching, developing and extending access to medicines, vaccines and consumer healthcare products that improve people's lives. We strive to run our business responsibly and ethically, to invest in our people and protect the environment. In doing so, we are helping millions of people around the world, supporting global goals on health, creating value for our shareholders, and supporting the long-term success of our business.

Governance

Our responsible business activities are overseen by our Board-level Corporate Responsibility Committee (CRC) and management of key risks is overseen by the Audit and Risk Committee.

The CRC, chaired by Non-Executive Director Lynn Elsenhans, meets four times a year to discuss external issues that could impact our business and reputation, provide strategic guidance and review performance. The CEO and Chairman also attend these meetings. During the year, much of the Committee's focus has been on reviewing the Company's proposals for future responsible business activity in support of the Company's new long-term priority of Trust.

Our progress in 2017

In this Responsible Business Supplement, we report our progress against the set of 23 commitments across four focus areas that we set five years ago.

We have 11 commitments complete, ten progressing well, one on track and one where work is needed (see page 6). Much of the work to deliver against these commitments is now embedded into our everyday business practices and operations.

Our new long-term priorities

In 2017, we announced a new company goal to be one of the world's most innovative, best performing and most trusted healthcare companies. Alongside our goal, we also introduced three new long-term priorities for the company – Innovation, Performance and Trust.



Looking forward – focusing where we can have impact

Given our new long-term priorities, our work over the last five years to embed responsible business practices into our operations, and the direction set for 2030 by the Global Goals, later this year we will launch a new set of commitments describing the actions we will take to help deliver societal value and earn trust. With these, we will seek to establish clear, ambitious targets to drive impact and progress in three areas:

- Addressing global health needs through our science
- Creating sustainable access to our high-quality products
- Being a responsible business with modern employer practices

We will also continue to seek transparent and trusted engagement with scientific and medical communities, address our environmental impact, and maintain the ethical standards to which we conduct our business.

Most of the work in the areas covered in this report will continue (even if the current commitment is marked completed), either as part of business as usual, or to contribute directly to one or more of our new targets or operating principles. This means that the set of 23 commitments covered in this report will be either: reframed into a new target that specifically focuses on the same area; integrated to support a new target; or phased out as the activity has been completed and/or is no longer a priority. When we publish our new set of targets, we will provide a more detailed analysis.

Benchmarks and an external perspective

Reporting commentary from Aron Cramer, President and CEO. BSR

I would like to commend GSK on its 2017 Responsible Business Supplement.

I was pleased to see the Supplement begin with a clear, well-conceived statement of purpose from CEO Emma Walmsley and Lynn Elsenhans, the Chair of the Board's CR Committee. These letters make clear how the company's essential purpose and its approach to CR are linked. It is heartening to see that 2017 included a review of the company's purpose and priorities, and this is well-reflected in the report.

With respect to the GSK's new Trust priority, the company has staked out important territory in its commitment to being a responsible enterprise with "modern employer practices." At a time when the nature and availability of quality employment is undergoing transformative change, this is an increasingly important dimension of corporate responsibility, and it is positive to see this called out as an area of focus.

GSK's strong performance against the 23 commitments covered in this Supplement is positive. As the company looks ahead, I encourage GSK to be ambitious as they adopt new targets in 2018. Progress towards the Sustainable Development Goals depends in large part on leadership from the private sector, not least at a time when public sector leaders in many parts of the world are facing political challenges.

Additional, specific, elements of the Supplement merit positive attention.

- GSK's achievements on transparency of clinical trials is a strong point, and it is good to see this recognized by third party assessments.
- Similarly, inclusion of a section on its approach to tax, and tax authorities is extremely welcome; too few companies include this important topic in their reports.
- GSK's performance on diversity and inclusion, a topic that rightly received considerable attention in 2017, is strong, and the employee engagement figures appear to demonstrate the business value of these efforts.

There are also some areas in which the Supplement could have been strengthened, including:

- Overall, I would welcome more insight from GSK on the collective challenges faced in addressing the issues in the Supplement. The Supplement correctly provides a report on GSK's achievements; it would be hugely valuable also to touch on where progress needs to be made, and the barriers that present challenges.
- Specifically, the supplement speaks of GSK's commitment to building healthcare infrastructure, but more context on the challenges associated with this would be a valuable contribution to public understanding of this crucial issue.
- More insight into the approach to sales adopted in 2015 would also be highly valuable. Given GSK's leadership on this issue, additional analysis of how the new approach is working – or not – would be a contribution to broader understanding of the issue.
- The section on working with third parties would be enhanced by an overview of the most common issues identified as requiring follow up action through the extensive reviews GSK conducts.
- Finally, the section on engaging with stakeholders would be strengthened by information that provides a picture of stakeholders' views and perspectives, not only GSK's actions.

I greatly appreciate the opportunity to review the Supplement and present an independent view of how it conveys the company's objectives and performance.

Aron Cramer
President and CFO, BSR

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External benchmarking



GSK has topped the Access to Medicine Index since the biennial assessment began in 2008. In 2017, we also led the industry in the first ever Access to Vaccines Index, as well as the first Anti Microbial Resistance Benchmark in early 2018.

Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM (

We improved our ranking from third to second in our industry in the Dow Jones Sustainability World and Europe Indexes in 2017. This places us in the top 2% of our sector for economic, environmental and social performance.



GSK ranked third in The Guardian 300 UK Graduate Employers and made the top ten in the Times Top 100 Graduate Employers 2017.



The FTSE4Good Index benchmarks companies based on their environmental, social and governance (ESG) practices. GSK has been a member since 2004.



We were awarded an A- grade in CDP's climate change programme, one of 193 global companies to be recognised out of the 1,089 companies responding to the survey.



We achieved an 'A' score on CDP's water programme for the second year running, one of 74 companies to achieve this recognition.

2017 overview: a year of significant progress

Health for all



Developing treatments for HIV

We received FDA approval for *Juluca*, the first 2-drug regimen, once daily, single pill treatment for HIV, with the potential to make a significant difference to the lives of people living with HIV.

> Read more



Reducing child mortality

We have reached 2.7 million children in 41 countries with life-saving interventions since the beginning of our five-year partnership with Save the Children.



Training health workers

We achieved our goal three years early to reach 20 million under-served people by 2020 through training frontline health workers.



Addressing cold chain challenges

The new design of our *Synflorix* vaccine means that it lasts 28 days after opening, rather than six hours. This means that clinics and healthworkers will be able to vaccinate more children per vial.



Tackling antimicrobial resistance

In 2017, we trained over 21,000 healthcare professionals on responsible use of antibiotics. In our Pharmaceuticals pipeline, gepotidacin, is the first in a new class of antibiotics.



Neglected tropical diseases

By the end of 2017, we had donated nearly eight billion albendazole tablets to prevent lymphatic filariasis and intestinal worms since 1999.

Our behaviour



Transparent clinical trials

We were ranked no.1 in the AllTrials Transparency Index, building on our long-standing commitment to transparency in clinical trials.



Working with third parties

Our Third Party Oversight programme was successfully rolled out to 95% of our third parties. We are on track to reach 100% by early 2018.

Our people



Employee engagement

Engagement levels have increased significantly since our last global employee survey, with 85% of employees proud to work for GSK and 76% recommending it as a great place to work.



Inclusive workplace

We ranked 21st in the UK Stonewall Workplace Equality Index, which lists the top 100 most LGBT+ and inclusive employers in the UK for 2017.

Our planet

21%

Carbon emissions

We have cut operational carbon emissions by 21% since 2010. Total value chain emissions have risen by 4% as we extend access to our medicines, and we are working to address this.

22%

Water use

We are using 22% less water than in 2010, but in 2017 we used 1% more water than in 2016.

> Read more

> Read more

> Read more

2017 progress summary

This report covers our 2017 progress against the set of 23 commitments set five years ago. Later in 2018 we will publish a new set of commitments to drive further impact and progress (see page 3).

Health for all

We are tackling some of the biggest global health challenges by promoting open innovation, making our medicines and vaccines more accessible, and strengthening healthcare systems.

| Commitment | Progress tracker |
|--|------------------|
| Innovation for unmet medical needs | Completed |
| Better access to medicines and vaccines | Completed |
| Building products to better meet needs | Completed |
| Strengthening healthcare infrastructure | Completed |
| Reducing child mortality | Completed |
| Fighting malaria | Completed |
| Eradicating polio | Progressing well |
| Access to antiretroviral treatment for HIV | Progressing well |
| Eliminating and controlling neglected tropical diseases (NTDs) | Progressing well |

Our behaviour

Our values – patient focus, transparency, respect and integrity – underpin everything

| Commitment | Progress tracker |
|---|------------------|
| Ethical conduct | Progressing well |
| Promoting values in sales and marketing practices | Completed |
| Transparency in clinical trial data | Completed |
| Rigorous patient and consumer safety | Progressing well |
| Minimising animal testing | Completed |
| Respecting human rights | Progressing well |
| Working with third parties | Progressing well |
| Ensuring ethical interactions | Completed |

Our people

We aim to create a safe, healthy and inclusive working environment where everyone is able and inspired to realise their potential and help us succeed.

| Commitment | Progress tracker |
|---|------------------|
| Developing our people in healthy and inspiring workplaces | Progressing well |
| Promoting inclusion and diversity | Progressing well |
| Community volunteering to create change | Completed |
| | |

Our planet

We are working hard to minimise our environmental footprint at every stage of the value chain as we extend access to our products to more people around the world.

| Commitment | Progress tracker |
|-----------------------------|------------------|
| Aiming to be carbon neutral | Work needed |
| Reducing our water impact | Progressing well |
| Reducing our waste | On track |

Health for all

Innovation for unmet medical needs

Commitment: Adapt the open innovation R&D model, currently used for Diseases of the Developing World (DDW), to apply to other areas of great unmet medical need and scientific challenge, including infectious disease and Alzheimer's disease, by 2015.



Completed

Progress in 2017

Diseases of the developing world

Our open lab in Tres Cantos, Spain offers external scientists access to our expertise and resources to discover innovative medicines for DDWs. The Tres Cantos Open Lab Foundation has supported 64 research projects since it opened in 2010, with seven new projects in 2017. Results from the lab have led to the publication of more than 20 papers in peer-reviewed scientific journals.

GSK's DDW centre supported the phase I clinical trials of a new candidate drug for tuberculosis (TB), with phase II studies expected to begin in 2018. We have begun late-stage pre-clinical studies for a molecule with the potential to shorten the treatment of TB, with funding from the Bill & Melinda Gates Foundation.

Bio-preparedness

We are committed to preparing for global health threats. We maintain reserve capacity to respond to future influenza pandemics and we are involved in the development of a universal influenza vaccine candidate through a number of research partnerships. We continue to advance rapid-response vaccine platform technologies to prepare for future public health emergencies.

Vaccines for unmet global health needs

The GSK Vaccines Institute for Global Health is developing vaccines to protect against a wide range of diseases, including Shigella, invasive nontyphoidal salmonella, typhoid and paratyphoid fever, and Group A streptococcus. We are also participating in a public-private partnership to develop a vaccine for HIV with clinical trials underway. Our clinical proof of concept study for a new TB vaccine continues with Aeras, a non-profit research biotech, and phase II primary results will be available in 2018.

Alzheimer's disease

In 2017, we participated in collaborations to accelerate the development of treatments for Alzheimer's and dementia, including the \$100 million Dementia Discovery Fund, the Dementias Platform UK and Accelerating Medicines Partnership. We continued to work with the Wellcome Trust's Neuroimmunology Consortium to investigate whether mood disorders and Alzheimer's can be treated by targeting the immune system.

Non-communicable diseases in Africa

We support researchers and projects across sub-Saharan Africa to address the increasing burden of non-communicable diseases (NCDs) on the continent through our Africa NCD Open Lab.

In 2017, we initiated three new clinical research collaborations and the lab now has 11 active collaborations that aim to improve our understanding of the nature of asthma, cancer, cardiovascular and kidney disease in African patients. Six of these projects form part of our collaboration with the Medical Research Councils of South Africa and the UK.

We have also established a collaboration between the Open Lab and the University of Witwatersrand in South Africa to help build biostatistics capacity in sub-Saharan Africa.



> Read more online Open innovation Africa NCD Open Lab

Tackling antibiotic resistance

Extensive use – and misuse – of antibiotics means that their effectiveness has waned. This is fast becoming a major public health crisis. Without action, up to 10 million people could die from drug-resistant infections every year by 2050.

The scale of the task remains significant and it is important that we work with the pharmaceutical industry and governments to find creative ways to incentivise and reward new research and development in antibiotics. Our vaccines play a critical role in avoiding the need for antibiotics by preventing bacterial, viral and other infections. In 2017, we helped to establish the AMR Industry Alliance, a coalition to drive progress towards the commitments made by the industry in 2016 through the Davos Declaration and the Industry Roadmap on AMR.

In January 2018, we were ranked no.1 of the large pharmaceutical companies in the Access to Medicines Foundation's first AMR Benchmark, which assesses 30 pharmaceutical, generics and biotech company responses to AMR. GSK received top scores in all three research areas: R&D, Manufacturing and production, and Appropriate access and stewardship.

In our Pharmaceuticals pipeline, gepotidacin, is the first in a new class of antibiotics and is expected to progress to phase III clinical research in 2018. It is being developed in collaboration with US government partners, the Biomedical Advanced Research Development Authority and the Defense Threat Reduction Agency.

To promote responsible use of antibiotics in 2017, we trained over 21,000 healthcare professionals globally on the management of community-acquired respiratory tract infections, appropriate usage of antibiotics, prescribing guidelines and the importance of surveillance studies.

1 The 2014 Review on Antimicrobial Resistance

£21,000

healthcare professionals trained globally on responsible use of antibiotics

> Read more online Antibiotic resistance

Better access to medicines and vaccines

Commitment: Further embed our flexible pricing strategy and innovative business models for our prescription medicines and vaccines, to increase usage among those less able to access and afford our products.



Completed

Progress in 2017

GSK has an equitable pricing strategy for medicines and vaccines which is based on the country, disease area, product type and patient's ability to pay. We also invest in communities around the world through product and cash donations (see page 22). Our global community investment totalled £262 million in 2017.

Supporting affordability in developing and middle-income countries

Since 2010, we have capped the prices of our patented medicines in least developed countries at 25% of those in Western Europe as long as our manufacturing costs are covered.

More than 70% of our vaccine doses go to least developed, low and middle-income countries. Our lowest vaccine prices are offered to organisations such as Gavi, the Vaccine Alliance, which supports countries with a GNI per head of less than \$1,580.

We have committed to deliver 720 million doses of our pneumococcal vaccine, *Synflorix*, to Gavi at a discounted price up to 2024. We delivered over 75 million doses in 2017 and we also expect to make a new *Synflorix* four-dose vial presentation (see page 9) available to Gavi-supported countries in 2018.

doses of *Synflorix* delivered to Gavi in 2017

We have also established contracts to supply *Synflorix* to Médecins Sans Frontières (MSF) and UNICEF at our lowest prices to support immunisation programmes for refugees.

In 2017, we supplied UNICEF with more than 44 million doses of *Rotarix* to protect against rotavirus gastroenteritis – including doses that supported the introduction of Pakistan's vaccination programme. We have increased supply by over 20% from 2016 and we are in discussions with Gavi and UNICEF to determine how we can meet future demand.

We have supported Gavi pilots of our *Cervarix* vaccine for human papillomavirus (HPV) in 12 countries since 2012. In 2018, we will be supplying *Cervarix* for the first universal mass vaccination programme in Zimbabwe, where cervical cancer is one of the leading causes of deaths among women.

GSK is still the only company committed to a ten year price freeze to support countries transitioning from Gavi financing.

In 2017, the World Intellectual Property Organization (WIPO) and the International Federation of Pharmaceutical Manufacturers and Associations (IFPMA) launched a new partnership called Pat-INFORMED to facilitate access to medicine patent information. GSK played an instrumental role in the development of this partnership, which was catalysed by our 2016 commitment to make information about our patent portfolio freely available.

In early 2018, we announced our plans to restructure our pharmaceutical operations in sub-Saharan Africa to improve oversight and efficiency. Despite these changes, we maintain our commitment to address the health challenges in sub-Saharan Africa. Patient access remains our priority and we will continue to make our medicines and vaccines widely available across the region.

Improving affordability in developed countries

Our goal is to ensure that we are working in the best interests of both our patients and shareholders, and the prices of our new medicines and vaccines reflect this commitment. When establishing our prices we aim to balance reward for innovation with access and affordability.

In the US, we negotiate with payers to gain our medicines favourable placement on formularies (the list of products covered by health insurers and pharmacy benefit managers). Patients generally have lower out-of-pocket costs for medicines that have preferred treatment under a formulary.

The GSK Patient Assistance Program provided GSK prescribed medicines and vaccines to 126,419 patients in 2017, valued at \$161 million in cost of goods sold. We continue to enhance the programme to make it easier for patients to use by simplifying our digital platforms.

In Europe, we engage with governments and payers to balance access and affordability while working towards sustainable health systems that support ongoing innovation.



Building products to better meet needs

Commitment: Continue to build a core range of products and formats to better meet the needs of people across the globe, including those less able to access and afford our products.



Completed

Progress in 2017

We have successfully built new products to meet medical needs, including our new four-dose vial for *Synflorix*.

The need to keep vaccines and medicines refrigerated can be a major obstacle to access in hot countries. In 2017, we received a positive scientific opinion from the European Medicines Agency (EMA) for a new four-dose vial presentation of our *Synflorix* pneumococcal vaccine, designed specifically to address cold chain challenges by reducing the physical space required during delivery and storage.

We have received prequalification from the WHO – the assessment used by the UN and other international procurement agencies for distribution in resource-limited countries – and, subject to local regulatory approvals, we plan to start supplying this vaccine to Gavi-supported countries in 2018.

Clinics and healthcare workers will be able to vaccinate more children per vial compared with the existing *Synflorix* two-dose vial presentation, and the new formulation allows the vaccine to last for up to 28 days once opened instead of the six hours allowed with the existing format.

"Our new presentation of our *Synflorix* vaccine helps to address cold chain challenges in developing countries."

Luc Debruyne, President, Global Vaccines

> Read more online Giving mothers and babies a healthier start

Strengthening healthcare infrastructure

Commitment: Continue to work with partners to support the strengthening of healthcare infrastructure. We anticipate this could improve access to healthcare for 20 million under-served people by 2020 (vs. 2012).



Progress in 2017

> Read more online

Reinvesting in healthcare

Since 2009, we have reinvested 20% of our profits from sales of pharmaceutical and consumer healthcare products in least developed countries (LDCs) – £33 million in total – into strengthening local healthcare infrastructure.

Through our partnerships with Amref Health Africa, CARE International and Save the Children, this has helped to train over 65,000 frontline health workers, helping us to exceed our goal of reaching 20 million under-served people by 2020. Our new programmes in Botswana, Cameroon and Namibia are training frontline health workers in sub-Saharan Africa beyond the LDCs.

In Zambia, the 432 community health entrepreneurs trained through Live Well – the social enterprise we established with CARE International and Barclays – have reached approximately 660,000 people with healthcare information. The entrepreneurs have sold nearly 100,000 healthcare products in 2017 alone, of which 20% were GSK products, to support their livelihoods.

In 2017, we extended mVaccination pilots with Vodafone to Nigeria – following a request from the national Ministry of Health – and Tanzania, and with the support of the integrated SMS reminders, nearly 200,000 vaccine doses were administered to children using the platform. We also partnered with Vodafone and others to set up a programme in Lesotho that will use mobile technologies to help more HIV-positive children and pregnant women access treatment.

Reducing child mortality

Commitment: Continue to invest in innovative cross-sector partnerships to reduce child mortality.



Progress in 2017

In 2013, we launched our five-year partnership with Save the Children, with the ambition to help save one million children's lives in the world's poorest countries.

As we approach the end of the first five years of the partnership, we have reached more than 2.7 million children in 41 countries with life-saving interventions and together we are advocating for universal health coverage at global and national levels. We have created and distributed a potentially life-saving medicine to prevent umbilical cord infections, chlorhexidine gel, that has already benefited over 19,000 newborns. GSK employees have also raised over £3 million to support the partnership.

The next phase of the GSK and Save the Children partnership, which will continue to address child mortality, will launch in 2018.



> Read more online Save the Children partnership

Fighting malaria

Commitment: Build on our 30-year commitment to contribute to the fight against malaria through continued R&D investment and partnerships on the ground.



Progress in 2017

Developing vaccines to prevent malaria

Our RTS,S vaccine is the only malaria vaccine candidate to date that has received a positive scientific opinion from the European Medicines Agency (EMA) and a recommendation for pilot implementation by the WHO.

Following successful phase III trials in 2016, we are supporting plans for pilot malaria vaccine implementation programmes in sub-Saharan Africa. We are working together with the WHO, PATH, the ministries of health in Kenya, Ghana and Malawi, and other stakeholders to ensure successful implementation of the pilot programmes. In parallel, GSK is preparing for the implementation of a phase IV programme and we are starting up manufacturing activities. GSK will donate the first 10 million doses of the RTS,S vaccine, to support pilot programmes in sub-Saharan Africa.

Our RTS,S vaccine aims to protect children from *P. falciparum* malaria, which is most common in sub-Saharan Africa and responsible for most malarial deaths worldwide. Clinical trials are already underway for a next-generation vaccine, as well as pre-clinical studies of candidate molecules to treat acute *P. falciparum* malaria.

Developing new treatments

We are also in the late stage development of tafenoquine, a single-dose treatment for *P. vivax* malaria, which is common in South Asia, the Horn of Africa and Latin America. Results of our phase III trials in adults have been presented and a new drug application has been submitted to the US FDA and the Therapeutic Goods Administration in Australia seeking its approval for use in the prevention of relapse.

If approved, tafenoquine will be the first new treatment for *P. vivax* malaria in over 60 years and has the potential to become an important tool in malaria elimination efforts. To support this, we are working in partnership with the Medicines for Malaria Venture, the Bill & Melinda Gates Foundation and PATH to enable patient access for those who need it.

To enable use of tafenoquine to treat *P. vivax* malaria in children, we have completed the first part of a study called TEACH to assess the appropriate dose using a child-friendly dispersible formulation.

Investing in local programmes

Through our partnership with Comic Relief we are supporting 20 projects across four African countries and the Greater Mekong sub-region of South East Asia. Focused on fighting malaria and improving health, the partnership aims to help make sure that interventions to prevent, diagnose and treat malaria get to the people who need them, when they need them. Projects range from youth-led approaches to increase malaria awareness, to training of frontline community healthcare workers and volunteers. Across the projects in Tanzania, Ghana and Mozambique that launched in 2017, we have reached over 700,000 people.



Eradicating polio

Commitment: Continue to support the WHO objective of eradicating polio by 2018 by providing vaccines to UNICEF until this is achieved.



Progressing well

Progress in 2017

Worldwide, the incidence of polio has declined by 99.9% since the Global Polio Eradication Initiative was launched 30 years ago. But despite enormous strides in combating this potentially debilitating and life-threatening disease, there were still 17 recorded cases in 2017.

The final steps to completely eradicate polio are proving extremely challenging and the WHO's goal to end polio by 2018 has not been met.

In 2017, we have supported eradication efforts by supplying our oral polio vaccine (OPV) – both bivalent (for types 1 and 3) and monovalent (for types 1, 2 and 3) – through UNICEF. In 2017, we delivered more than 300 million doses of OPV to UNICEF; this brings us to more than 17 billion doses delivered since 1988.

More than



Access to antiretroviral treatment for HIV

Commitment: Through ViiV Healthcare¹, we will continue to research new treatments, increase access to our medicines and care for people living with HIV around the world. We will support UNAIDS to deliver their 90-90-90 ambition by 2020². We will also work with communities to combat stigma and discrimination associated with HIV.



Progressing well

Progress in 2017

In 2017, we received FDA approval for *Juluca*, our first single-tablet, 2 drug regimen of dolutegravir and rilpivirine for the maintenance of virologically supressed HIV patients, following positive phase III results. We have also made a regulatory submission to the European Medicines Agency.

Juluca marks an important milestone in HIV care by providing a new treatment option that could make a significant difference to people living with HIV by reducing the number of antiretrovirals they have to take, as they receive life-long treatment for their chronic condition.

Phase III clinical trials have begun for two other investigational two-drug treatment regimens – dolutegravir plus lamivudine and cabotegravir plus rilpivirine (as long-acting formulation).

We also began a programme of phase III studies to evaluate long-acting injectable cabotegravir for the prevention of HIV infection in high-risk populations and resource-poor settings as part of a public-private collaboration.

"In 2017, we received FDA approval for *Juluca*, an important milestone in HIV care."

Deborah Waterhouse, CEO, ViiV Healthcare

> Read more online ViiV Healthcare Positive Action programmes

Accelerating access to treatment

In 2017, our innovative HIV drug, dolutegravir, was made available in Brazil as a first line treatment for people living with HIV who have never been on treatment as well as in third-line therapy for patients who have previously been on treatment as part of the national health programme. Dolutegravir is now also available as first line treatment in Botswana as part of its national 'Treat All' HIV programme and it has been added to the Essential Medicines List in Russia.

Following tentative FDA approval, the first generic version of dolutegravir has been introduced in selected countries covered by our voluntary licence agreements with the UN-backed Medicines Patent Pool and Aurobindo Pharma Ltd. Our licenses enable generic formulations of dolutegravir, including fixed-dose combinations containing dolutegravir that are recommended by WHO or DHHS (US) guidelines, to be made available through generic manufacturers covering 90%³ of adults and 99% of children living with HIV in the developing world.

The European Commission and the FDA have approved a reduction of the weight limit for treatment of HIV with dolutegravir in children and adolescents. This means more 6 to 12-year-olds are eligible to receive treatment.

Positive Action for communities

We continue to support HIV education and prevention through ViiV Healthcare's *Positive Action* programmes. In 2017, *Positive Action* awarded over 120 new grants across our four main global programmes for men who have sex with men and transgender people, girls and women, adolescents, and children. It also supported community organisations in Europe through 14 new grants, and two new *Positive Action* initiatives were launched to support women and young people in the US.

Through our *Positive Action* Challenges, we work with global partners to find innovative solutions on specific pressing issues affecting the HIV epidemic such as post-rape care for girls in emergency settings, antiretroviral adherence for breastfeeding mothers and addressing stigma in healthcare settings.

- 1 ViiV Healthcare is a global specialist HIV company majority owned by GSK.
- 2 90% of people living with HIV to know their HIV status, 90% of those diagnosed to receive sustained antiretroviral therapy and 90% of those receiving therapy to have an undetectable viral load.
- 3 As of 2017, this now covers 90% of adults: see MPP website.

Eliminating and controlling neglected tropical diseases

Commitment: Help eliminate and control ten neglected tropical diseases (NTDs) that will affect 1.4 billion people by 2020, including the elimination of lymphatic filariasis (LF), through our continued investment in R&D, ongoing product donations and our contribution to the London Declaration on NTDs.



Progressing well

Progress in 2017

GSK has donated nearly eight billion albendazole tablets since 1999 – including 894 million in 2017 – to reach more than 850 million people for LF and intestinal worms. In April, Togo became the first African country to eliminate LF as a public health problem, with seven more countries achieving this later in the year. The WHO estimates that the number of people at risk of LF infection and requiring mass drug administration decreased from 1.4 billion people to 856 million between 2011 and 2016.

Our research into other NTDs continues. Two of our candidate molecules for the treatment of visceral leishmaniasis, discovered in collaboration with Dundee University, are progressing towards clinical studies.



> Read more online Tackling NTDs

Our behaviour

Ethical conduct

Commitment: We will continue to strengthen our values-based culture by training our people on the standards expected, encouraging the reporting of any concerns and embedding our values into the way we measure employee performance.



Progress in 2017

Training our people

Mandatory annual training on our values and Code of Conduct is designed to help our employees and complementary workers understand how to put our values into practice in their daily working lives and manage ethical dilemmas they may encounter.

The Living our Values training emphasises our zero tolerance approach to bribery and corruption, highlights our commitment on issues such as product quality and data protection, and provides an overview of our key risks. In 2017, 98% of our employees and 91% of our complementary workers completed the training. More than 86,300 people also underwent additional training on anti-bribery and corruption to help them manage the specific risks inherent in their roles and responsibilities.

Almost 400 ethics and compliance professionals at GSK have certified their skills through our Ethics and Compliance Academy since its launch in 2015.

We have continued to assess how well our values are embedded in specific parts of the businesses, with around 260 values maturity assessments conducted over the past two years. Individual areas of the business are using insights from the assessments to continue enhancing the way our values are embedded into ways of working at GSK. Discussion guides to facilitate conversations about our values between business leaders and their teams were widely used across the business in 2017.

Reporting and investigating concerns

We want to maintain an open environment where concerns can be raised

product promotion.

There have been instances in the past where our commercial practices have brought regulatory sanctions and the company has paid large fines for past behaviours that are inconsistent with our expectations and code of conduct. We have taken several actions and improved our controls but are aware of the need for constant vigilance.

and people feel confident to speak up. We ran a Speak Up campaign

channels we offer for people within and outside GSK to voice their

concerns and ask questions through an independent third party -

confidentially or anonymously if preferred. In 2017, we received 2,679

reports (2,568 in 2016) through the available channels. We reviewed all of them and 1,919 formal investigations were initiated. The most frequent categories of reports were employee performance and

across the business in 2017 to raise awareness of the multiple

The UK Serious Fraud Office continues to investigate the Group's commercial operations in a number of countries, including China, and has requested additional information from the Group regarding third party advisers engaged by the Company in the course of the China Investigations. The US Securities and Exchange Commission and the Department of Justice are also investigating these matters. Please refer to the Legal proceedings note on page 230 of the Company's 2017 Annual Report for further information.

Disciplinary action

If employees behave in ways that do not align with our policies, we take appropriate disciplinary action. In 2017, 3,200 employees were disciplined for policy violations (3,600 in 2016), including 935 for failing to complete our mandatory Living our Values and Anti-bribery and Corruption training within the required timeframe.

Of those disciplined, 1,801 employees received a documented warning (2,499 in 2016), 901 received verbal warnings (547 in 2016) and 233 were dismissed or agreed to leave the company voluntarily (221 in 2016).

Employees disciplined in 2017: breakdown of types of policy violation



- Training completion
- Code of Conduct
- Attendance/payroll
- Good manufacturing practices/ good distribution practices
- Marketing and promotional activities
- Local work regulations
- Other policy violations

Promoting values in sales and marketing practices

Commitment: Continue to drive a values-based approach to sales and marketing practices across the world, with the interests of consumers and patients at its core.



Progress in 2017

Promoting our values-based approach to sales

GSK has eliminated the use of individual sales targets for our pharmaceutical and vaccines sales representatives. This change was implemented in the US in 2011, and expanded to all our markets globally in 2015. Today, our sales representatives are incentivised based on their selling competency and broader business performance.

This values-based approach is proving effective. An independent assessment of GSK's respiratory and vaccines salesforce showed that their effectiveness is continuing to improve with sales outcomes ranking within the top quartile compared with peers in several of our priority markets.

Engaging with healthcare professionals

In 2013, we introduced a policy to stop paying HCPs to speak to other prescribers about our prescription medicines and vaccines. We believe our policy has improved transparency and trust, but feedback from scientific experts is that important scientific dialogue between GSK and them has reduced. This was not the intent of the policy. Transparent scientific dialogue and engagement with experts is in the interests of all those working to develop new medicines and improve care for patients.

To address this feedback and having consulted with HCPs, we have decided to change our policy. We now allow fair market value payments to be made by GSK to expert researchers and HCPs to speak about the science behind our products, disease and clinical practice in a limited number of GSK-sponsored, medical-led meetings.

> Read more online Ethical conduct GSK policies, codes and standards

Promoting values in sales and marketing practices continued

We believe that this change is in the best interests of patients as it helps effective, transparent scientific dialogue by allowing HCPs to share new science with each other. Our primary focus remains on internal medical experts speaking about our products and we will not pay HCPs to talk about our products outside of an approved, medical-led scientific workshop or symposium.

We have continued to strengthen our online resources and in-house medical capabilities to provide bespoke product information for HCPs. By using all of our existing channels, we increased our overall interactions with customers by 15% in 2017 with digital interactions growing by 50%.

Disclosing payments made to HCPs

We are committed to disclosing the payments we make to HCPs for activities such as advisory boards, scientific symposiums and market research, that help us to develop medicines and vaccines to meet patients' needs. We fulfil all requirements of the European Federation of Pharmaceutical Industries and Associations (EFPIA) Disclosure Code by disclosing payments to named individuals and disclosing on an aggregate basis for payments related to research and development.

GSK publishes payments made to HCPs in 32 markets across Europe (including Russia and Ukraine) as well as Australia, Japan and the US. In 2016, the latest year of reporting, more than 95% of HCPs consented to disclose individual-named transfers of value in countries where this is possible under local disclosure rules.

In Europe, we have a 'no consent, no contract' policy which means we will not work with HCPs who withhold their consent for GSK to publish payments they have received from us for reportable activities.

Transparency in clinical trial data

Commitment: Be as transparent as possible with our clinical trial data, including publishing clinical study reports (without patient-level data) for all outcome trials of medicines conducted by GSK and, within an appropriate process, making available to researchers access to anonymised patient level data to further scientific enquiry.



Progress in 2017

In 2017, we were ranked number one on the AllTrials Transparency Index for clinical trials transparency. The index, published in the BMJ, is based on the first systematic assessment of 42 pharmaceutical companies including the world's largest companies published policies on clinical trial registration and reporting. We came first in the assessment which looked at trial registration, summary results, clinical study reports and individual patient level data. This builds on our long-standing commitment to clinical trial transparency.

GSK is one of the few companies that publishes clinical study reports. These reports form the basis of submissions to regulatory agencies. At the end of 2017, 2,310 of these reports and more than 6,305 result summaries from our trials were publicly available on our clinical study register. We also introduced a new mobile application to enable access to the register from mobile devices.

In 2013, we launched the first trial sponsor data sharing platform to share access to our anonymised patient-level data, sharing access to our data within six months of publication for our interventional phase I-IV clinical trials. To access this data, external researchers submit a research proposal which is reviewed for scientific merit by an independent review panel appointed by the Wellcome Trust.

After approval and a signed data-sharing agreement, researchers can access and analyse the data in a secure computer system. By the end of 2017, we had listed more than 2,100 trials on www.clinicalstudydatarequest.com, which is also used by 12 other sponsors. Since 2013, 108 proposals have been approved related to GSK trial data. As a result, ten research papers have been published. We also continued efforts to develop plain language summaries of our studies that communicate results in a way that is readily understandable to people outside the scientific community. Nine have been posted to date on the GSK clinical study register.



"GSK has a long-standing commitment to clinical trial transparency and our efforts in 2017 continue to reflect that."

Patrick Vallance, Outgoing President, R&D

Rigorous patient and consumer safety

Commitment: Continue to ensure the interests and safety of patients and consumers are of paramount importance in the way we design and undertake our clinical trials, our product quality assurance and our monitoring and reporting of adverse events in ongoing product usage.



Progress in 2017

Our robust policies and processes to ensure the safety of patients, consumers and clinical trial participants remained paramount in the development, testing and manufacturing of the medicines, vaccines and consumer healthcare products we produced in 2017.

We follow a strict Quality Management System in our manufacturing and we comply with regulations on Good Manufacturing Practice. In recent years we have proactively invested in several quality improvement programmes across our sites in terms of facilities and infrastructure, ways of working and staff training and awareness. The results of this are increasingly being borne out by fewer supply interruptions and an improving regulatory inspection record based on a like-for-like comparison across our business units. In 2017, 194 regulatory inspections were held at our manufacturing sites and while the majority resulted in zero or only minor observations, we are committed to addressing issues raised in all inspections as part of our continual improvement programme. Regulatory authorities have accepted our proposed plans for corrective actions.

Understanding the risks

We keep track of risks to quality and safety standards through our global risk register. In 2017, we performed 273 audits on our own trials and those conducted by third parties on our behalf (see data summary on page 22). We also enhanced our policy on Management of Human Safety Information for GSK Products and trained all relevant staff to safeguard the people who take our products or take part in our clinical research.

In addition, we continue to support wider efforts to enhance the detection, monitoring, understanding and prevention of side effects with pharmaceutical products (known as pharmacovigilance).

We continued to work with the WHO and other partners in 2017 to develop infrastructure for reporting side effects in the developing world, where we are extending access to our medicines and vaccines. Through the TransCelerate Collaboration, we are working with others to promote harmonised approaches and procedures for the clinical development of drugs and to implement key regulations.

Reducing the risks of falsified medicines and counterfeit products

We supported the WHO's revised definitions of 'substandard' and 'falsified' medicines which more clearly categorise the two main types of unsafe healthcare products that pose an important public health issue.

To address the distribution of counterfeit products, we collaborate with customs authorities to prevent the import, export and availability of illicit products. Our primary focus is on countries where counterfeit products are known to be manufactured and those known to be major transit hubs for these illicit products.

We conducted training sessions for 950 customs officials at 36 key ports and border crossings in 20 countries in 2017. By working together, we aim to help authorities identify and seize shipments of counterfeit products before they are distributed to markets around the world.



Minimising animal testing

Commitment: Rigorously challenge the need for animal studies and work to minimise the impact on animal welfare, by investing in the development of alternative studies and sharing animal-based data.



Progress in 2017

Animal research is essential in the discovery of new medicines and is required legally to test the safety of our medicines and vaccines. We are committed to applying the '3Rs' approach to replace, reduce and refine our animal studies, as well as demonstrating respect and responsibility towards animals.

Following a one-off increase in 2015 related to the integration of the Novartis vaccines business, we have maintained our long-standing downward trend in the number of animals used. In 2017, we used approximately 329,000 animals – 11% fewer than the previous year. Around 98% were rodents.

We collaborated with clinical experts in regenerative medicine at University College London to develop an artificial human lung to enable the study of human respiratory pathology and physiology in vitro. We also worked with clinical oncologists and bio-engineers at Queen Mary University London to develop a tumour model as a human-relevant tool for the identification of innovative cancer therapies. Both systems reduce the need for animal studies by mimicking the disease as seen in human organs and tissues.

Over the past decade, our Vaccines division has been working to reduce the number of animals needed for quality control purposes. Our efforts include the Innovative Medicine Initiative's Vaccine to Vaccine project, a collaborative initiative which aims to reduce animal testing required for batch releases of vaccines. In 2017, GSK activities led to EU approval for a quality control test resulting in a reduction of 60% in the number of rabbits needed in testing.

Respecting human rights

Commitment: Address the UN Guiding Principles on Business and Human Rights across our own operations and our supplier relationships.



Progress in 2017

We focus our activities on seven areas based on where our operations have the biggest potential to affect human rights – healthcare, air quality impact relating to propellants, clinical trial standards, employment practices, patient safety, product counterfeiting and use of third-party suppliers. Progress on each is outlined in the relevant sections of this report.

In 2017, we included more in-depth information on our expectations related to human rights within our mandatory annual Living our Values training (see page 12), particularly in relation to labour rights in our supply chain. We also held a workshop with senior managers to build awareness and understanding of labour rights risks in GSK's operations and supply chains and to identify further training requirements for teams across the business.

We continued to monitor existing suppliers and screen new suppliers through the Third Party Oversight programme that has been rolled out globally (see Working with third parties). We have also standardised labour rights clauses in our contracts with third parties and updated our supplier portal and human rights policy with more information on labour rights to support with compliance.

Our second annual Modern Slavery Act statement, published in line with UK legislation, outlines our policies and processes to minimise the risk of modern slavery within our operations and our supply chain.

Working with third parties

Commitment: We seek to work with third parties that share our commitment to high ethical standards and operate in a responsible way. If performance gaps are identified, where appropriate, we commit to working with the third party to improve performance.



Progress in 2017

We spend over £11 billion every year with suppliers, distributors and other organisations including more than 38,000 vendors that provide us with a wide range of goods and services. We have continued to optimise and increase the spend with our preferred supplier base, to enable us to build strong relationships with the suppliers that are most critical to our business.

Overseeing third parties

At GSK, our third parties include suppliers, distributors and other organisations with which there is a transfer of value. Our Third Party Oversight programme strengthens our management of risk in the supply chain, by driving improvements in our third party network to ensure that they share our values and work to the ethical and business standards expected by GSK. By the end of 2017, we had deployed the rollout of the programme globally, covering 95% of our third parties. We expect the remainder to be complete by early 2018.

Over 100,000 risk assessments of our third parties have been conducted since the inception of the programme in 2015. Over 5,000 improvement plans have been agreed and we are working with our third parties to implement these plans.

T 5,000 improvement plans have been agreed since the inception of our Third Party Oversight programme

Based on our initial risk assessment, over 4,200 third parties have undergone an extensive independent assessment by EcoVadis, which covers the management of labour rights, fair business practices, anti-bribery and corruption, environment and sustainable procurement.

Monitoring risk and compliance through audits

We conducted 60 third party audits in 2017 on health and safety, ethics, environment and labour rights. We also conducted a further 1,592 third party audits focused specifically on the quality processes.

Where we identify areas that require improvement, we engage with the relevant third parties to develop improvement plans and track their progress. If significant issues are identified and remain unresolved, we may choose to suspend or terminate work with a third party.



> Read more online Human rights statement Modern Slavery Act Statement

Ensuring ethical interactions

Commitment: Demonstrate that all GSK interactions with patient advocacy groups and political stakeholders are conducted appropriately, ethically and transparently.



Progress in 2017

Working with patient advocacy groups

By engaging with and supporting patient organisations, we can gain insights that help us to develop products and advocate for policies that better meet patient needs. Information about all the support we provide to patient groups is published on our website.

In 2017, we held Patient Advocacy Leaders Summits in the Czech Republic, Germany, Japan and Switzerland to build relationships between GSK employees, patient advocates, health policy experts and industry representatives.

We have launched a respiratory health advisory board made up of representatives from patient organisations to provide perspectives and expert insights about the needs of patients that allow us to develop better medicines and advocate policies based on those needs. We also supported the second Asia Pacific Patient Lung Summit to connect with patient leaders who advocate for lung health in their communities and improve our understanding of conditions like asthma.

Engaging with political stakeholders

We expect everyone at GSK to follow the guidelines in our Code of Conduct in all their interactions with stakeholders. Political stakeholders are no exception. The same rules apply to any public policy groups that engage on our behalf and we have comprehensive criteria to guide the selection of these groups to ensure they share our values.

We register all lobbying costs relating to GSK activities in Brussels and the US on the EU Transparency Register and US Federal Lobbying Register respectively. In 2016¹, the cost of representing our interest to EU institutions was €1.48 million. In 2017, in the US we spent \$4.18 million on lobbying activities. This cost includes operating our advocacy offices in Brussels and Washington DC, and the cost of travel and consulting. Industry bodies may also lobby indirectly on our behalf and we publish a list of our main trade association memberships on our website.

GSK does not make corporate political contributions. However, under the Federal Election Campaign Act, our US employees can financially support individual candidates or political groups through a Political Action Committee (PAC). In 2017, our employees' PAC contributed \$384,875 to candidates – 30% of which went to state candidates and 70% to federal candidates.

1 These are the latest available figures, and 2017 figures will be available in April 2018 for submission to the EU's Transparency Register.



Our approach to tax

We have a substantial business and employment presence in many countries around the globe and pay a significant amount of tax, including corporation and other business taxes, as well as the taxes associated with our employees.

We understand our responsibility to pay an appropriate amount of tax and fully support efforts to ensure that companies are appropriately transparent about how their tax affairs are managed. We provide more detail on our approach to tax in our published tax strategy and Annual Report.

As part of our approach we align our investment strategies to those countries where we already have substantial economic activity and where government policies promote tax regimes which are attractive to business investment, transparent in their intent and available to all relevant tax payers, such as the UK patent box.

Relationship with tax authorities

We seek to maintain open, positive relationships with governments and tax authorities worldwide and we welcome constructive debate on taxation policy.

International tax framework

We support the OECD and G20 principle that tax should be paid throughout the supply chain where the profit-making activities take place.

Transfer pricing

In line with OECD guidelines we base our transfer pricing policy on the arm's-length principle and support our transfer prices with economic analysis and reports.

Tax havens

We do not engage in artificial tax arrangements – those without business or commercial substance – and we do not seek to avoid tax using 'tax havens' or transactions we would not fully disclose to a tax authority. We have a zero-tolerance approach to tax evasion and the facilitation of tax evasion.

Corporation tax

In 2017, the Group paid corporate income tax of £1,340 million (£1,609 million in 2016) on profits of £3,525 million (£1,939 million in 2016). The corresponding tax charge on profits was £1,356 million (£877 million in 2016).

> Read more online
Our tax strategy
Annual Report (page 56)

> Read more online
Patient group funding
Public policy and patient advocacy

Our people

Developing our people in healthy and inspiring workplaces

Commitment: Continue to create a working environment that inspires people to grow and perform in a healthy and sustainable way.



Progress in 2017

Developing talent

In 2017, we strengthened our focus on identifying key roles in the business, monitoring top talent and supporting their development at GSK.

We also trained around 3,300 people to support their promotion to roles as first or second line leaders and over 1,600 leaders have shared their knowledge and helped to improve colleagues' performance through our coaching programmes. Over 65,000 employees have now used our business skills training modules, which are part of our suite of training and leadership programmes to develop talent at GSK.

In 2017, 434 graduates and postgraduates joined our Future Leaders and Esprit development programmes. GSK ranked third in The Guardian 300 UK Graduate Employers and made the top ten in The Times Top 100 Graduate Employers 2017.

We welcomed 97 apprentices in the UK, Canada, Ireland, Singapore and the US as we continue to expand our apprenticeship programmes internationally in 2017. In the UK, GSK was voted Top Employer in Science by school leavers, and entered the Top 100 Apprenticeship Employers list for the first time. We are also contributing to the development of national apprenticeship standards, chairing the Lifesciences Trailblazer group.

"Investing in our people is critical to ensuring the long-term sustainability of our business."

Claire Thomas,

Senior Vice President, Human Resources

Protecting our people

Our reportable injury and illness rate in 2017 was 0.23 per 100,000 hours worked, compared with 0.26 in 2016. This rate is comparable with other leading companies in our sector¹ and has remained low for several years.

But we want to prevent anyone getting hurt at work. To help us better identify and manage risks, we have begun analysing not just what happened, but the worst case scenarios in specific incidents, in order to improve the effectiveness of our prevention measures.

Road safety remains one of our biggest risks and, tragically, a member of our sales force died in 2017 as a result of a road traffic accident in the US. As part of our efforts to reduce this risk, we continue to focus on training drivers in road safety.

Health and wellbeing

We are committed to providing health programmes and services to help our people make healthy choices, assess their own health, stop smoking, do enough physical activity, eat healthily and focus their energy where it matters. Ultimately, we want them to feel healthier, happier and more energised – at work and at home.

In 2017, we made more than 75% of these programmes and services available in our top 24 countries, covering 85% of employees globally, and made access easier through an online hub. We are also piloting a personalised interactive digital health platform in Belgium that helps employees to assess their health and adopt healthier behaviours. As part of the Virgin Pulse Global Challenge in 2017, 11,494 GSK participants took over 11 million steps, and as a result we were named the 'most active organisation' for the second year running, above 228 other companies.

Our Partnership for Prevention (P4P) programme offers over 119,000 employees and family members unprecedented access to up to 40 preventive healthcare services, such as immunisations and cancer screening, at little or no extra cost. We extended the programme to the Asia Pacific region in 2017 and prepared to extend it in Europe.

P4P is now available in 93 countries and we will complete our global roll-out in 2018 as planned. Over the last five years, employees and their families have accessed around 95,000 health services through this programme.

1. Based on benchmarking data from the Pharmaceutical Safety Group.

Employee engagement

We know that listening and responding to our people is critical to our success.

In 2017, more than 84,000 (83%) of our employees shared their views in our global employee survey – our best response rate yet. We aligned the survey questions with our new long-term business priorities: Innovation, Performance and Trust.

The results give us valuable insights into how our people feel about working at GSK. Engagement levels have increased significantly since the last survey in 2015, with 76% of employees recommending GSK as a great place to work – a 12 increase – and 85% proud to work for GSK.

Employees felt we are doing particularly well on ethical behaviour, quality, and health and safety. But they wanted to see us create better opportunities for development and improve our systems and processes.

Results from the survey are being discussed by leaders and employees across the business to identify priority focus areas. From 2018, we plan to survey our people twice a year to help us gauge the progress we are making.

Our new engagement programme, Let's Talk, aims to get our people talking about what matters most and encourage them to share different views and ideas on how we can make GSK even stronger.

Leaders across the business have been hosting conversations with their teams on a range of topics. Feedback and insights from these sessions is collated and shared with all employees and senior leaders to help shape future plans for our organisation.



Promoting inclusion and diversity

Commitment: Continue to promote inclusion and diversity globally at GSK.



Progress in 2017

In 2017, the independent Hampton Alexander Review of FTSE 100 companies found that GSK has the eighth highest proportion of women on the Board at 41.7%, and that we are in line with the FTSE 100 average with 25.7% female representation among executive committee members and their direct reports.

The proportion of women in management roles at GSK is 44% globally. We provided coaching and support for 209 high-performing female managers through our Accelerating Difference programme. Around 40% of those who started the programme in 2013 have been promoted and 49% of those who began in 2014 (compared with 31% of women and 29% of men across GSK during the same period).

Women made up 54% of our new graduates and Esprit participants in 2017, and 38% of our new apprentices in science, technology and engineering roles, where women have traditionally been underrepresented. Additionally, our Women's Leadership Initiative employee resource group (ERG) now has more than 4,000 employee members in more than 70 countries.

Under new UK legislation, we have published data on our gender pay gap in the UK for the first time. Based on the comparison of salaries, our gender pay gap for all GSK permanent UK-based employees is 2.81% (mean) which is below the national average of 17.4%. We will also continue to review pay equity at a global level during 2018.

Currently, seven nationalities are represented on our Board and executive committee. Seventy-eight nationalities are represented on our Future Leaders graduate programme and more than 60 people have completed our Emerging Leaders Programme in Singapore to develop our Asia leadership pipeline.

| Women in management (%) | 2014 | 2015 | 2016 | 2017 |
|-------------------------|------|------|------|------|
| SVP/VP | 29 | 29 | 30 | 31 |
| Director | 40 | 40 | 42 | 43 |
| Manager | 45 | 45 | 46 | 47 |
| Total | 42 | 42 | 43 | 44 |

Our global LGBT+ Council continued to engage people across GSK on LGBT+ issues. It is supported by our LGBT+ ERG, Spectrum, which now has over 900 employee members across 29 countries around the world.

In 2017, we achieved full marks in the Human Rights Campaign Corporate Equality Index for the second consecutive year in the US, where we also won a Best of the Best Award for inclusion from the National Business Inclusion Consortium and LGBT+ Chamber of Commerce. We achieved Rainbow Tick certification in New Zealand and, in early 2018, were ranked 21st in the UK Stonewall Workplace Equality Index, which lists the top 100 most LGBT+ and inclusive employers in the UK for 2017.

Our new Singapore Asia Headquarters is designed to be fully accessible for people with disabilities and we have developed an inclusive design guide for future buildings and refurbishments. We have also introduced a service in the UK to make it easier for employees to request any workplace adaptations, such as flexible working, assistive technology, furniture and access. The service will be rolled out in other countries over the next few years.

The Disability Confidence Network ERG now has more than 250 employee members across 22 countries, who support our Global Disability Council in driving change and promoting disability confidence throughout the business.

In 2017, 18 more young people with learning disabilities developed their employment skills through our Project Search programme, which now operates in the US as well as the UK. Through our Orange Senior Programme, we employed 12 people with disabilities over the age of 60 in Japan.

Community volunteering to create change

Commitment: Extend volunteering opportunities to bring about positive change to communities and global health while providing individual development.



Progress in 2017

Through skills-based volunteering, we give our people the opportunity to support communities and global health – and build their own abilities and experience.

In 2017, 73 volunteers from 21 countries took part in our flagship PULSE Volunteer Partnership programme. In total, they provided £2.7 million worth of skilled services to 26 non-profit partners in 29 countries.

Through PULSE, individuals work with a non-profit organisation for three to six months to share their expertise and learn new skills. In the latest survey on our PULSE programme, 91% of volunteers completing their assignments in 2016 agreed that they brought back new ideas and fresh ways of working to GSK. Non-profit partners also benefit, with 98% agreeing that our volunteers either met or exceeded their expectations.

Everyone at GSK also has the opportunity to volunteer one day a year to support their local communities through Orange Days and other skills-based volunteering opportunities. In October 2017, 5,000 of our people contributed 40,000 hours during our global month of volunteering.



hours contributed by our people during our global month of volunteering

> Read more online Inclusion and diversity Gender pay gap report

> Read more online Employee volunteering

Our planet

Aiming to be carbon neutral

Commitment: Reduce our overall carbon footprint by 25% by 2020 (vs 2010) and have a carbon neutral value chain by 2050.



Progress in 2017

Our overall value chain carbon footprint is made up of Scope 1 and 2 emissions from our direct operations (18%), and Scope 3 emissions from our supplier base (49%) and from the use of our products (33%).

As we provide medicines, vaccines and consumer healthcare products to more of the people who need them around the world, it is proving extremely challenging to reduce our overall value chain footprint.

Our latest analysis shows that our total value chain carbon footprint for 2016^1 is an estimated 19.5 million tonnes of CO_2e . While this is a reduction of 4.2% on 2015, compared with our 2010 baseline, our value chain footprint has increased by 4%.

Our operations

In 2017, our operational emissions (Scope 1 and 2) were reduced by 2% compared with the previous year, as a result of our continuing focus on energy efficiency measures and purchasing renewable energy. Since our 2010 baseline we have reduced annual carbon emissions from energy use by 25% saving a cumulative 1.9 million tonnes of CO_2e .

"As a global healthcare company, we can contribute to tackling both the effects and causes of climate change."

Roger Connor,
President, Global Manufacturing and Supply

Our indirect emissions

Our Scope 3 emissions fell from 18.7 to 17.9 million tonnes of CO_2e from 2015 to 2016, however they were up 4% from our 2010 baseline year. This is a result of the Novartis integration in 2015 and increasing sales of our propellant-based inhalers. We engage with suppliers to drive improvement, for example we encourage suppliers to monitor and disclose performance through Ecodesk. This external resource offers benchmarking information and helps them develop improvement plans – 209 suppliers, representing over £1 billion of our spend on raw materials, now use Ecodesk to report environmental data.

We also have our own platform to encourage our suppliers to share best practices on sustainability, the GSK Supplier Exchange. We recognise outstanding performance through our annual Supplier Environmental Sustainability Awards. In 2017, the awards went to Paharpur 3P, a small packaging supplier in India, for its efforts to reduce water use and to Model AG, a larger packaging supplier, for the installation of a paper recycling facility at its site in Switzerland.

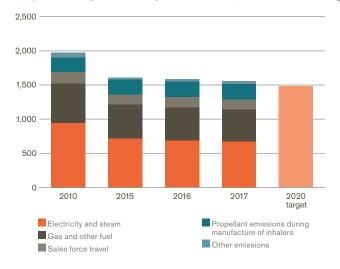
The use of our products also has a significant impact on our Scope 3 emissions. The majority is from patient use of a propellant-based inhaler Ventolin, where the propellant is a greenhouse gas released during use. Reducing the impact of the propellant is complex. We continue to research feasible solutions to this issue, including changing the way we manufacture, to reducing the amount of propellant used while maintaining efficacy and safety for patients.

GSK's new generation of inhaler products, using our *Ellipta* device, were developed and launched as dry powder inhalers (DPIs) and do not release greenhouse gas emissions. In 2017, a certified assessment of our respiratory inhaler portfolio by the Carbon Trust showed that the lifecycle carbon footprint of our DPI is around 24 times lower than propellant-based inhaler² for one month's treatment.

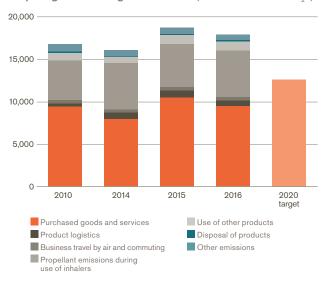
- 1. Our most recently available Scope 3 data is from 2016.
- 2. For one month's treatment, a 120 dose propellant inhaler has a carbon footprint of 19kg CO $_2$ e per pack compared with a 30 dose once daily *Ellipta* DPI which has a carbon footprint of 0.8kg CO $_2$ e per pack.

> Read more online Aiming to be carbon neutral

Scope 1 and 2 greenhouse gas emissions (thousand tonnes CO₂e)



Scope 3 greenhouse gas emissions (thousand tonnes CO₂e)



Reducing our water impact

Commitment: Reduce our water impact across the value chain by 20% by 2020 (vs 2010).



Progress in 2017

We continue to seek ways to use less water in our own operations, in our supply chain and in the use of our products. We have reduced water use by 22% since 2010 but water use increased by 1% in 2017 driven by growth in our Vaccines business.

For example, in South Africa, we cut water use by 9% over just 12 months at our site in Cape Town, as well as running a campaign to encourage employees to save water at work and at home during a drought. In the UK, we are piloting a campaign with a utility company to encourage consumers to turn off the tap when brushing their teeth.

From water use to water impact

The amount of water used across our value chain is only one part of the story. We measure our overall water impact across four different categories: water scarcity, local water quality, health and social risks, and regulatory and reputational risks.

By the end of 2017, all our pharmaceutical and consumer healthcare manufacturing sites had completed water risk assessments against all four categories in line with our water stewardship standard. These sites are now in the process of developing plans to address any risks that have been identified which may include, in some situations, in working with local communities and other stakeholders. Our efforts to enhance water stewardship will prioritise sites in areas of water stress.

We are already addressing impacts in water-stressed regions in India, where our value chain for Horlicks makes up almost a third of our entire value chain water footprint globally. Over the past five years, we have assessed our top ten milk, malt and wheat suppliers in India to understand their water impacts and have implemented projects to recharge over 200,000m³ of water per year.

Reducing our waste

Commitment: By 2020, reduce our operational waste by 50% (vs. 2010).



On track

Progress in 2017

Since 2010, we have cut operational waste by 23%, producing 10% less hazardous waste and 29% less non-hazardous waste. However, progress towards our 2020 target has slowed and the amount of waste produced remained the same in 2017 as last year. We have therefore increased our focus on reclaiming more waste for beneficial use through reuse, recycling and recovery. Examples include redistributing consumer products close to their expiry date in the UK and selling waste gelatine from capsule production to a paintball manufacturer in Poland.

Around 70% of our sites worldwide have achieved zero waste to landfill and just 4% of our 136,000 tonnes of operational waste ended up in landfill - 25% less waste was sent to landfill than in 2016. Most (71%) was recycled or incinerated to recover energy.



zero waste to landfill in 2017

Waste water pollution in the supply chain

The risk of pharmaceuticals - and particularly antibiotics entering the environment through waste water pollution is a growing concern and an active area of research. GSK is part of the Antimicrobial Resistance (AMR) Industry Alliance launched in 2017 and a signatory to the Industry Roadmap for Progress on Combating AMR.

We have robust controls in our own manufacturing and we are working with our supply chain partners to audit compliance and share best practice on managing environmental discharges. Read more about our AMR efforts on page 7 and online.

> Read more online Water stewardship policy Reducing our water impact

How we engage with our stakeholders

"We welcome insights from external stakeholders to help us better understand their expectations, identify societal trends and inform our approach on responsible business."

Phil Thomson, President, Global Affairs

In 2017, engaging with stakeholders played a key part in the development of our new long-term priorities: Innovation, Performance and Trust. Here we provide examples of how we engage with key stakeholder groups, with links to further information on specific engagement and outcomes in 2017.

Stakeholder relationships



Employees

We listen and respond to our people to help us maintain strong employee engagement and retain talented people.

Examples of how we listen and engage

- Listening to our people through our global employee survey and responding to their feedback (see p.17).
- Promoting dialogue and asking for ideas through Let's Talk (see p. 17).
- Communicating regular updates on our purpose, strategy and progress with live broadcasts,
 Q&A sessions, and messages from our CEO and members of the Corporate Executive Team.



Government and multi-lateral organisations

We interact with governments and policymakers – following clear, transparent standards – to advocate for policies that encourage innovation, promote efficient management of healthcare spending and give patients the support they need.

- Driving progress in key global health priority areas at the World Health Assembly.
- Joining a coalition focused on ending pneumonia deaths of children under five.
- Working with the UK Government and the NHS to establish the future for the UK Life Sciences sector post Brexit.
- Partnering with key stakeholders to develop vaccine procurement mechanisms in humanitarian settings (see p. 8).



Investors

We communicate our strategy, responsible business approach and performance to the investor community – including socially responsible investors (SRIs) – through various channels.

- Running investor roadshows, conferences and events (see gsk.com).
- Holding one-to-one meetings with individual investors, including SRIs.
- Responding to investor surveys, such as the Dow Jones Sustainability Index (DJSI) (see p. 4).



NGOs and local communities

We work with partners to strengthen healthcare infrastructure and improve access to healthcare through our global and local community programmes.

- Partnering with non-profits to implement programmes to strengthen healthcare infrastructure (see p. 8).
- Supporting people living with HIV through ViiV Healthcare's Positive Action programmes (see p. 11).
- Working with Malaria No More and Comic Relief to advocate with the UK government for a Malaria Summit at the Commonwealth Heads of Government Meeting in 2018.
- Working with Save the Children; combining our expertise, resources and influence to reduce child mortality (see p. 9).



Patient groups and healthcare professionals

We engage with, and support, patient organisations to gain insights that enable us to develop products and advocate for policies that better meet patient needs.

- Running Patient Advocacy Leaders Summits (see p. 16).
- Setting up advisory boards with representatives of patient organisations (see p. 16).
- Providing financial support to patient groups (disclosed on our website).
- Online resources and in-house medical capabilities to provide information about our medicines and vaccines how and when healthcare professionals want it (see p. 13).



Suppliers and third parties

We aim to build strong relationships with suppliers and third parties that share our values.

- Communicating our values and expectations on responsible business through our supplier portal.
- Sharing best practices and supporting improvements in environmental performance through our Supplier Exchange.
- Engaging with suppliers on their social and environmental performance through our Third Party Oversight programme and external platforms such as EcoVadis and Ecodesk (see p. 15 and 19).

Data summary

| | | | 2014 | 2015 | 2016 | 2017 |
|----------------|-----------------------------|---|---------|---------|---------|---------|
| Health for all | Better access to | Number of doses of <i>Synflorix</i> vaccine supplied to Gavi (million) | 50 | 62 | 75 | 75 |
| | medicines and vaccines | Number of doses of <i>Rotarix</i> vaccine supplied to Gavi (million) | 31 | 33 | 37 | 44 |
| | | Value of GSK medicine and vaccines prescribed through our US Patient Assistance programme (cost of goods sold in million USD) | 156 | 147 | 110 | 161 |
| | | Number of patients reached through our US Patient Assistance programme | 183,000 | 150,148 | 137,659 | 126,419 |
| | Community investment | Cash (million £) | 51 | 57 | 67 | 80 |
| | | Product and in-kind (million £) | 133 | 137 | 127 | 16 |
| | | Time (million \mathfrak{L}) | 4 | 4 | 3 | ; |
| | | Management costs (million ₤) | 13 | 11 | 12 | 13.4 |
| | Strengthening healthcare | Health worker training programmes (million £) | 6 | 6.5 | 11* | 1 |
| | infrastructure | Health workers our partners have trained (cumulative) | 25,000 | 40,000 | 43,000 | 65,00 |
| | | Number of people reached through our 20% reinvestment programme (million, cumulative) | 6.5 | 11 | 17.5 | 21. |
| | Neglected tropical diseases | Albendazole tablets to help lymphatic filariasis (LF) elimination (million) | 679 | 644 | 649 | 77 |
| | | Albendazole tablets to help treat intestinal worms (million) | 180 | 258 | 367 | 123. |
| | Eradicating polio | Number of doses of oral polio vaccine delivered to Global Polio Eradication Initiative (million) | 397 | 220 | 470 | 30 |
| Our behaviour | Compliance | Employees disciplined for policy violations | 3,947 | 3,574 | 3,294 | 3,20 |
| | | Employees who were dismissed or agreed to leave the company voluntarily | 373 | 387 | 221 | 23 |
| | | Documented warnings | 3,131 | 2,890 | 2,499 | 90 |
| | | Total number of marketing and promotional activity violations | 233 | 237 | 178 | 18 |
| | | Number of contacts made to our Speak Up channels | 1,865 | 3,203 | 2,568 | 2,67 |
| | Clinical trial data | Publicly available trial result summaries | 5,583 | 5,800 | 6,040 | 6,30 |
| | (cumulative) | Number of studies with Clinical Study Reports posted to the register | 200 | 663 | 1,941 | 2,31 |
| | | Number of trials listed for which patient level data is available for request | 1,081 | 1,727 | 1,953 | 2,11 |
| | | Number of research teams approved for access to GSK trial data | 36 | 82 | 106** | 108 |

^{* 2016} figures include healthworker programmes beyond our least developed country (LDC) programmes.

^{**} This figure includes 18 projects related to Novartis assets. These projects were fully transitioned to Novartis during 2016.

^{***} This figure now excludes 18 projects related to Novartis projects.

| _ | | 2014 | 2015 | 2016 | 2017 |
|-----------------------------------|--|--|---|---|--|
| Clinical research | Audits of investigator sites | 234 | 175 | 138 | 152 |
| | Audits of GSK processes | 19 | 26 | 25 | 16 |
| | Audits of GSK local operating companies | 16 | 41 | 32 | 39 |
| | Investigations of suspected irregularities | 13 | 29 | 23 | 19 |
| | Audits of contract research organisations | 40 | 23 | 45 | 47 |
| | Total audits undertaken | 322 | 265 | 263 | 273 |
| Anti-counterfeiting | Number of trainings for customs officials | _ | _ | 38 | 36 |
| Ensuring quality in manufacturing | Number of regulatory inspections of our Pharmaceutical business | 96 | 86 | 66 | 73 |
| and supply | Number of regulatory inspections of our Vaccines business | 45 | 49 | 45 | 46 |
| | Number of regulatory inspections of our Consumer Healthcare business | 46 | 40 | 56 | 75 |
| Health and safety* | Number of fatalities | 1 | 2 | 1 | 1 |
| | Reportable incidents with lost time | 281 | 318 | 353 | 258 |
| | Lost time reportable injury and illness rate | 0.15 | 0.15 | 0.17 | 0.13 |
| | Reportable incidents with and without lost time | 498 | 566 | 525 | 457 |
| | Reportable injury and illness rate | 0.26 | 0.28 | 0.26 | 0.23 |
| Talent and leadership development | Total number of coaching assignments | 1,390 | 1,554 | 1,923 | 1,600 |
| | Number of graduates recruited through our Future Leaders programme | 304 | 444 | 441 | 410 |
| | Number of postgraduates recruited through the Esprit programme | 35 | 26 | 24 | 24 |
| | Number of apprentices recruited | 69 | 74 | 99 | 97 |
| Inclusion and diversity | Percentage of women in management (total) | 42 | 42 | 43 | 44 |
| Volunteering | Number of employees completing PULSE | 98 | 78 | 73 | 73 |
| | Anti-counterfeiting Ensuring quality in manufacturing and supply Health and safety* Talent and leadership development Inclusion and diversity | Audits of GSK processes Audits of GSK local operating companies Investigations of suspected irregularities Audits of contract research organisations Total audits undertaken Anti-counterfeiting Ensuring quality in manufacturing and supply Health and safety* Health and safety* Number of regulatory inspections of our Pharmaceutical business Number of regulatory inspections of our Consumer Healthcare business Number of regulatory inspections of our Consumer Healthcare business Health and safety* Reportable incidents with lost time Lost time reportable injury and illness rate Reportable incidents with and without lost time Reportable injury and illness rate Talent and leadership development Total number of coaching assignments Number of graduates recruited through our Future Leaders programme Number of postgraduates recruited through the Esprit programme Number of apprentices recruited Number of apprentices recruited Percentage of women in management (total) | Clinical research Audits of investigator sites Audits of GSK processes 19 | Clinical research Audits of investigator sites 234 175 Audits of GSK processes 19 26 Audits of GSK local operating companies 16 41 Investigations of suspected irregularities 13 29 Audits of contract research organisations 40 23 Total audits undertaken 322 265 Ensuring quality in manufacturing and supply Number of trainings for customs officials - - Number of regulatory inspections of our Pharmaceutical business 96 86 Number of regulatory inspections of our Vaccines business 45 49 Number of regulatory inspections of our Consumer Healthcare business 46 40 Health and safety* Number of fatalities 1 2 Reportable incidents with lost time 281 318 Lost time reportable injury and illness rate 0.15 0.15 Reportable injury and illness rate 0.26 0.28 Reportable injury and illness rate 0.26 0.28 Talent and leadership development Total number of coaching assignments 1,390 1 | Clinical research Addits of investigator sites 234 175 138 |

^{* 2015} health and safety data has been restated to include former Novartis sites acquired in 2015.

| | | | | | | •••••••••••• |
|------------|------------------------------|---|-----------|--------|--------|--------------|
| | | | 2014 | 2015 | 2016 | 2017 |
| Our planet | Carbon | Scope 1 and 2 GHG emissions ('000 tonnes CO ₂ e) | | | | |
| | | Gas and other fuel | 490 | 499 | 483 | 461 |
| | | Electricity and steam | 706 | 713 | 700 | 694 |
| | | Propellant emissions during manufacture of inhalers | 169 | 224 | 228 | 223 |
| | | Sales force travel | 131 | 138 | 150 | 147 |
| | | Other emissions | 61 | 27 | 28 | 34 |
| | | Total | 1,556 | 1,602 | 1,589 | 1,558 |
| | | Scope 3 GHG emissions ('000 tonnes CO ₂ e)* | | | | |
| | | Purchased goods and services | 7,998 | 10,514 | 9,494 | _ |
| | | Product logistics | 717 | 805 | 676 | _ |
| | | Business travel by air and commuting | 356 | 373 | 417 | _ |
| | | Propellant emissions during use of inhalers | 5,411 | 5,132 | 5,447 | 5,530 |
| | | Use of other products | 743 | 983 | 1,077 | _ |
| | | Disposal of products | 97 | 105 | 100 | _ |
| | | Other emissions | 780 | 777 | 686 | _ |
| | | Total | 16,093 | 18,690 | 17,897 | - |
| | Water | Water use in operations (million cubic metres) | 15.2 | 14.9 | 14.5 | 14.6 |
| | Waste | Total waste generated (thousand tonnes) | 158 | 142 | 137 | 136 |
| | | Waste to landfill (thousand tonnes) | 10 | 8 | 6 | 5 |
| | Compliance | Internal audits (number) | 19 | 16 | 42 | 37 |
| | | Environmental fines (£) | 354,303** | 500 | 5,800 | 4,000 |
| | Environmental remediation*** | Spend (million \$) | 6.6 | 4.5 | 2.3 | 2.3 |

^{*} 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.

^{**} A detailed breakdown of 2014 environmental fines is available in the 2014 Responsible Business Supplement. These fines were mostly due to the discovery of a waste tank at our Upper Merrion site that did not comply with local regulations, plus a fine paid by our Hamilton site for failure to submit a risk management plan for storage and use of chloroform.

^{***} 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.

About our reporting

We report our performance annually in this report as part of our commitment to being open and transparent about our business activities. Responsible business is also covered in our Annual Report.

Data coverage

All data in this report relates to GSK's global operations in the calendar year 2017, except where otherwise stated. Data in the environment and health and safety sections has been independently verified by DNV GL. Brand names appearing in italics throughout this report are trade marks either owned by or licensed to GSK or associated companies.

Reporting standards

Our index against the Global Reporting Initiative guidelines shows which elements are covered in the report. As a signatory to the UN Global Compact, we publish an annual Communication on Progress to demonstrate how we uphold its ten principles. These are both available on GSK.com.

Policies, codes and standards

We have a number of policies, codes and standards accessible on our website covering a range of different areas from public health, to business integrity and the environment. These can be found, and downloaded here.

Your feedback counts

We welcome your feedback on our responsible business performance and reporting. You can also request to receive regular updates on our progress.

Summary of assurance statement

The independent assurance provider DNV GL has provided limited assurance in accordance with the assurance standard ISAE 3000 (revised). Their assurance scope included selected EHS performance data disclosed on pages 23-24 of our Responsible Business Supplement.

DNV GL's full statement, including their assurance conclusion and a summary of the work performed, can be found on our website.

Please contact us at csr.contact@gsk.com



Contributing to the global goals

GSK has an opportunity to make a significant contribution to the UN Sustainable Development Goals (SDGs) and we are fully committed to using our expertise and experience to support them which is why our latest materiality assessment used the SDGs as a key input.

As a leading global healthcare business, we can make the biggest difference to SDG 3: to ensure healthy lives and promote well-being for all. In particular, a key target within SDG 3 is achieving universal health coverage - our portfolio, alongside our commitments to access, innovation and flexible pricing, clearly support this target.

We also aim to contribute to several of the other SDGs – including those on gender equality, good jobs and economic growth and environmental challenges.





































> Read more online Public policy on SDGs SDG factsheet

