



# Anti-Bribery & Corruption Policy

GSK Enterprise  
POL\_150091 (13.0)

## Why do we have this Policy?

This policy covers the principles and requirements on Anti-Bribery and Corruption (ABAC), and maintenance of business documentation and financial records. This policy aligns with relevant international and domestic ABAC laws. In case of conflict between our controls and laws, the stricter rule applies.

## Who needs to follow it?

### Document Audience Scope

This policy applies to all GSK *staff*, board members and third parties acting on our behalf.

### Roles and Responsibilities

This policy has specific responsibilities for:

#### Roles

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**Corporate Executive Team (CET) members or their delegates**

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**Country Executive Boards (CEBs) and Risk Management Compliance Boards (RMCBs)**

#### General Managers (GM)

① Where a **GM** owns a responsibility, it extends to the **local Business Unit (BU) equal** or their senior delegate, for example

- Global Manufacturing and Supply (GMS) Site Director,
- Research & Development (R&D) Leadership Team member

For staff not aligned to a BU, the responsibilities are owned by global head of the group or their senior delegate.

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#### Line Managers

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#### Business Owners

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**ABAC Centre of Excellence (CoE)**, including for the **Head of the ABAC CoE**

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#### Ethics & Compliance Business Partners

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Communications and Government Affairs, including for the **VP & Head of Global Corporate Government Affairs & Policy**

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#### Corporate Security

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**Finance**, including for the **Finance Leadership Team**

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#### Legal

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**Line Managers** are responsible for making sure **Business Owners** are adequately trained. **Line Managers** are accountable for breaches of this standard by their staff



when the manager knew, or should have reasonably known, that such breaches were taking place.

**Business Owner** is responsible for making sure that any relevant controls in this document are complied with by third parties as required by the engagement.

Key:            ⚠ Critical action    ⓘ Helpful tip

## What do you need to know/do?

We have a zero tolerance towards all forms of corruption. Corruption includes, but is not limited to:

- Bribery
  - We do not, directly or through a third party, promise, offer, make, authorise, solicit or accept any financial or other advantage, to or from anyone to obtain or retain business, or secure an improper advantage in the conduct of business.
  - Financial or other advantage covers anything of value, including cash, gifts, services, job offers, loans, travel expenses, entertainment or hospitality. Personal funds cannot be used to circumvent this policy.
  - We prohibit all facilitation payments as they are bribes. Facilitation payments are unofficial, improper, small transfers of value offered or made to secure or expedite a routine or necessary action to which we are legally entitled.
- *Money laundering*
  - We do not conduct transactions that involve a benefit, property or proceeds resulting from crime including bribery, fraud and tax avoidance. Conducting those transactions may result in a breach of anti-money laundering laws and may require external reporting.
- *Tax evasion*
  - We do not facilitate the evasion of taxes.
- *Fraud*

This applies to our interactions with *government officials* and persons in the private sector.

If you breach this policy you may also be breaking the law and there may be consequences for you and/or GSK. You could face disciplinary action that could lead to you losing your job, being fined and/or sentenced to prison.

We are committed to maintaining accurate financial records.

Personal funds are not used to circumvent this policy.

## 1. ABAC Principles and Governance

### 1.1. ABAC Foundation Principles

Our four ABAC Foundational Principles are in line with our corporate values and expectations. They help us analyse if corruption is a risk:



- Legitimacy of intent: our activities, interactions and transactions have a valid purpose and are conducted in line with our values and expectations. Ask yourself:
  - Is what I am doing legal and in line with GSK values, expectations and standards?
  - Am I suspicious about the transaction, the parties and/or the assets involved?
  - Would my or the company's reputation be impacted if what I am doing was made public?
- Transparency: everything we do is open, transparent and properly documented. Ask yourself:
  - Will there be enough documentation to show why my actions were appropriate?
  - Have the details of the transaction been accurately recorded?
  - Could my actions be seen as trying to attain a hidden objective?
- Proportionality: transfers of value made and resources invested meet but do not exceed the needs of the interaction or transaction. Ask yourself:
  - Do we need this service?
  - Can we use GSK resources?
  - Is the payment at *fair market value* (FMV)?
  - Is the amount of product requested for donation proportionate to the need?
  - Is the transaction in line with our previous transactions with the third party?
- No conflict of interest or undue influence: we do not exercise undue influence over those who interact with us. We avoid situations that create or appear to create conflicts of interest. Ask yourself:
  - Could any activity be seen as an attempt to improperly influence our business?
  - Am I showing favouritism with a third party because of the relationship that I have with them?
  - Have I taken the right steps to manage any actual or perceived conflicts of interest?

① The questions above are not exhaustive and are only suggested as examples.

## **1.2. Our ABAC Programme**

Our ABAC Programme follows the Internal Control Framework (ICF) for the management of the bribery and corruption risk:

- Our leadership lead by example, making us aware of the ethical importance and critical role of our ABAC principles.
- We perform a risk assessment to determine the company's exposure to bribery and corruption risk. We regularly review and update the risk assessment to reflect changes in our risk profile.
- We support the ABAC principles in this policy with the corporate written standards which make up our ABAC Programme.



- We provide mandatory periodic ABAC training to our staff and relevant third parties aligned with their roles, responsibilities and risks they face.
- Our **ABAC website** and communications provide ABAC awareness and support across the company.
- We monitor for breaches that may occur to our ABAC controls. We respond to problems promptly, investigating root causes and putting plans in place that help us improve our ABAC Programme.
- Those involved in any ABAC violation are subject to our disciplinary procedures and may result in termination. You may also be breaking the law and could face fines or prison.
- We perform independent business monitoring and independent assurance as part of our ABAC Programme.
- Risk governance forums provide enterprise oversight of our management of the bribery and corruption risk. The **ABAC Governance Board** is the enterprise risk forum responsible for governance of the ABAC Programme. Visit the **ABAC website** for details and contacts.

### 1.3. ABAC collaborations, collective actions and benchmarking

Before engaging in the following external activities, **Business Owner** obtains written **ABAC CoE** approval:

- Supporting anti-corruption *collective actions*.
- Joining, partnering or having a leadership role in an external organisation in the area of anti-corruption.
- Taking part in external ABAC benchmarking.

Written requests are made to the **Head of the ABAC CoE** (see **ABAC website**) and include:

- Purpose of the engagement.
- Name of the other external participants.
- Length of engagement.
- Resources needed by GSK and expected output.

**Head of the ABAC CoE** reviews the proposal and approves or rejects participation in the engagement.

① See the Grants and Donations Procedure (SOP 264719) for grant funding of anti-corruption initiatives led by external groups.

① See the Protecting and Mitigating Risk from External and Internal Communications Activities Procedure (SOP 191843) when engaging externally on behalf of the company.

## 2. Interactions with Government Officials

A high degree of risk exists when we interact with government officials who may be in an actual or perceived position of influence which could affect our business.



We do not improperly influence a government official to obtain or retain business or an advantage in business.

When interacting with government officials, we follow relevant written standards, laws, regulations and codes of conduct applicable to government officials.

### **Who and what are excluded from this section 2?**

- External experts, including Healthcare Professionals (HCPs) and Other Healthcare Staff (OHS)

① For further information reference:

- Codes of Practice for Promotion and Scientific Engagement (STD\_344428 for Prescription Medicines and STD-CHC-401 for Consumer Healthcare) and
- Engaging with External Experts to Provide Services SOP (SOP 344448).

If the interaction is out of scope of the written standards referenced above, then follow the controls in Appendix 1 of the Engaging with External Experts to Provide Services SOP (SOP 344448).

- *Public Policy Groups*

You are allowed to work with public policy groups that engage government officials and/or arrange events involving government officials.

① For further information reference the Working Public Policy Groups SOP (SOP 264721).

- *Market research*

Market research activities, conducted by a third party on our behalf, in which payments may be made to government officials, are allowed when:

- we do not know of the names of the individuals taking part in the research,
- payment is at FMV,
- research funded by us is not disclosed to the recipients at the point of recruitment, and
- our activity follows relevant GSK written standards.

- Official interactions with governments

Legitimate business with governments is allowed when:

- promoting products
- executing contracts
- exchanging scientific and medical information
- paying official published fees for the services or goods they provide
- **Business Owner**, reviews and approves fees to ensure they are in line with official published fees

### **2.1 Definition of Government Official**

'Government' refers to all levels and subdivisions of governments, i.e. local, regional, national, administrative, legislative, executive, or judicial, and royal or ruling families.



Government officials are defined broadly as:

- Any officer or employee of a government or any department, agency, or instrumentality of a government (which includes public enterprises, and entities owned or controlled by the state);
- Any officer or employee of a public international organisation (for example, the World Bank or United Nations);
- Any officer or employee of a political party, or any candidate for public office;
- Any person defined as a government or public official under applicable local laws (including anti-bribery and corruption laws) and not already covered by any of the above; and/or
- Any person acting in an official capacity for or on behalf of any of the above.

We extend the definition of government official to any person with close family members who are government officials with the capacity, actual or perceived, to influence or take official decisions affecting GSK business.

In case of disagreement regarding the government official status of a person, Legal makes a final determination. If the disagreement is regarding the actual or perceived position of influence which could affect our business, the final decision lies with the **GM** acting upon advice from **Legal**.

✪ The definitions contained in this section are broad and open to different interpretations. **CEBs** are responsible for communicating examples of domestic government officials for their market, including what should be understood by “close family members”. This is done through the issuing and effective communication of a local guidance document.

## 2.2 Travel & Accommodation Expenses

We pay or reimburse travel and accommodation for government officials when there is a legal requirement to do so. **Business Owner** consults **Legal** before paying.

We do not pay in any other cases without a granted **CET / delegate** exception per section 2.9. If an exception is approved only the following may be paid for or reimbursed, unless the government official is prohibited from accepting:

- Reasonable travel arrangement:

Economy class is booked for air travel. If required by law, or part of a fee for service agreement, a higher class is allowed. In these cases, the class cannot be higher than the limits for GSK staff.

First class rail is allowed for trips greater than two hours when standard/coach class does not offer a reasonable level of comfort.

Local ground transportation (e.g. a simple taxi ride) does not require **CET member / delegate** exception approval.

- Cost of overnight accommodation where it is not practical to travel to and back from the venue in one day. This cannot be higher than the limits for GSK staff.



- Meals within the requirements of the Gifts, Hospitality and Entertainment Policy (POL 243431).

Travel and accommodation booking and changes are made through GSK designated travel agencies. When government bodies are required to follow their own arrangements, we reimburse the government body only after receiving the original receipts for each expense. We do not pay or reimburse these types of expenses directly to the government official.

For meals and local ground transportation where GSK staff is present, payment is made directly by us. Otherwise we pay or reimburse the government bodies of the government officials. If the government body is unable to accept these payments, we pay or reimburse directly to the government official. Such reimbursement requires the prior approval of your **Line Manager**.

### 2.3 Hospitality

**Business Owner** follows the Gifts, Hospitality and Entertainment Policy (POL 243431) when offering or accepting hospitality (i.e. meals or drinks) to or from government officials.

### 2.4 Meetings with government officials

Meetings with government officials are only for legitimate GSK business. Meetings follow relevant laws, including competition and anti-bribery and corruption laws.

Meetings occur in the ordinary course of business in:

- The offices of the government official in the country where they are based.
- At a GSK office/site, in accordance with section 2.5.
- In the context of a formal and permitted site visit.
- At a *third-party meeting*.

**GM** authorises meetings with government officials in a different location from those listed above. This can be done through a general approval or on a case-by-case basis. See section 2.3 for permitted hospitality.

### 2.5 Site Visits

Government officials may visit our sites if not prohibited by local laws, regulations and codes of conduct of the government official and at least one of the following are met:

- There is a valid business, clinical, scientific, technology, regulatory, medical or public policy reason for the visit —e.g. review meeting.
- They will be taking part in a specific official function, e.g. formally opening the site or an extension.
- There are valid diplomatic or courtesy reasons.

Where we are involved in the selection of the government official it is solely on the basis that the site visit is relevant to the government official's duties.

**GM** of the country where the government official is based and of the country where the visit is taking place, approves the invitations unless the visit is required by law. This can be done through a general approval or on a case-by-case basis.



Where required by local law, **Business Owner** obtains and documents written permission from the government.

## 2.6 Meetings arranged by third parties

We do not provide direct financial support to government officials to attend meetings arranged by third parties. However, we may provide funding to, or be a member of groups that provide independent financial support to government officials. These groups can include: pharmaceutical or professional associations, bona-fide foundations or educational institutions. The selection of government officials to receive funding is made independently by the third party.

## 2.7 Engaging with current and former government officials

### 2.7.1 Engaging with current government officials

We do not contract the paid services of government officials who have an actual or perceived position of influence which could affect our business. Exceptions are only allowed in rare circumstances and require **CET member / delegate** approval per section 2.9.

**CET member / delegate** approval is not required when engaging government officials to provide a service without a fee, so long as:

- we do not pay expenses, nor offer any special or token payments, such as an honorarium; and
- the agreed terms (e.g. date, scope, confidentiality, duration, etc.) are documented (e.g. email exchange, letter of engagement, formal contract, etc).

① Engagements of External Experts who have an influence on government are out of scope (See beginning of section 2).

### 2.7.2 Engagement of former government officials

Where we engage former government officials (including HCPs/OHS), they are subject to a 'cooling off' period of six months. Engagement includes: full-time employees, complementary workers, or consultants. During this period, they do not work on any GSK matters that they worked on in their prior public-sector role.

To determine if the former government official can work on a GSK matter, and if the 'cooling off' period applies, the **Line Manager** assesses if the work would:

- Create an unfair competitive advantage for GSK
- Create a perceived / actual conflict of interest for GSK
- Conflict with the candidate's undertakings with his/her prior employer
- Impact the government official's compliance with professional integrity rules.

① The aim is to mitigate the risk that a former government official engaged by us abuses, or we induce them to abuse, insider knowledge.





**Line Manager** in charge of the engagement of a former government official subject to the 'cooling off' period obtains approval from the VP & Head of Global Corporate Government Affairs & Policy, before a contract is signed.

**Line Manager** ensures that during the 'cooling off' period the former government official does not engage (for GSK purposes) with former colleagues still working on projects for GSK. **Line Manager** ensures the public entity is aware of our policy before former government official starts their engagement with GSK.

We consider extending the 'cooling off' period at the request of the former government official or their former employer.'

We only engage former politicians by exception, and only when their skills are key to support our strategic objectives. In these cases, the 'cooling off' period applies.

The 'cooling off' period starts when:

- they have stopped working on GSK matters, or
- they end their engagement with government.

**Line Manager** obtains proof from the former government official's employer.

Apply the stricter 'revolving doors' rules amongst local laws, regulations, relevant codes of conduct, specific contractual arrangements or this Standard.

① Those leaving GSK to work in government respect the confidentiality of information obtained during their time with the company. They avoid any conflicts of interest that might arise associated with GSK business in their new government role.

## 2.8 Guests

We do not invite guests or spouses of government officials to any occasion or event. We do not provide or pay for any hospitality or make arrangements for guests or spouses.

## 2.9 Exceptions

Before conducting an interaction as per sections 2.2, 2.3, 2.4, 2.7 or 2.8, **Business Owner** obtains written exception from their **CET member / delegate**.

**Business Owner** is responsible for:

- Obtaining written confirmation from the government official that they are not prohibited from conducting the interaction, and
- Completing and submitting the Exceptions Approval Form for approval.

**CET member / delegate** uses the ABAC Foundation Principles (see section 1.1) to decide if to approve or reject the request.

## 2.10 Secondments

Secondments for government officials to work at GSK or our staff to work in government are permitted. **CET member / delegate** approval is not required provided:

- Government officials seconded to GSK:
  - are approved by the **GM**;



- details of the secondment are shared with the local **Communications and Government Affairs Department**;
  - a conflict of interest report is completed and any mitigating circumstances are reviewed and addressed in the secondment agreement;
  - there is a secondment agreement between GSK and the Government;
  - they do not get involved in any matters related to GSK that they worked on in their government role;
  - we do not pay any expenses; and
  - payments to cover the cost to the Government body at the pro-rated salary are permitted and paid to the Government body
- Our staff seconded to government:
- are approved by the local **GM**;
  - details of the secondment are shared with local **Communications and Government Affairs Department**;
  - there is a secondment agreement between GSK and the government;
  - secondees do not get involved in any government matters or discussions related to GSK during the secondment.

#### **2.11 Gifts to and from government officials**

**Business Owner** follows the Gifts, Hospitality and Entertainment Policy ([POL\\_243431](#)).

#### **2.12 Other transfers of value from governments and government officials to GSK staff**

When you are acting in your capacity as GSK staff,

- do not undertake any paid services for any government or government official.
- you may accept invitations to government arranged / sponsored events (per section 2.13). Reimbursement from the government of any expenses, requires prior approval from your **Line Manager** and review by your **Ethics & Compliance Business Partner**.

When you are acting in a private capacity, obtain written approval from your **Line Manager** with review from your **Ethics & Compliance Business Partner** before

- becoming a candidate for public office or
- accepting a part-time job in government while keeping your job at GSK.
- Undertaking paid services for any government or government official.

① Follow the SOP on Managing and Addressing Personal Conflicts of Interest ([SOP\\_306106](#)).

#### **2.13 GSK attendance at, and sponsorship of political meetings, conferences or conventions**

We do not make political contributions or sponsor political meetings, conferences or conventions.



You may attend political meetings, conferences or conventions on behalf of GSK, if you have a valid business reason for attending. GSK pays your entrance fees for such meetings.

You cannot attend political fundraising events on behalf of GSK. You may do so in a private capacity.

We do not sponsor social events at political meetings, conferences or conventions. You may attend social events at such meetings and we pay for the cost of your attendance, if:

- social event is incidental,
- intent of the social event is not to raise funds,
- costs are moderate, and
- there is a valid business reason for attending the event.

We may partner with independent bodies, such as public policy groups, to run satellite meetings at political meetings or conferences. We declare our sponsorship clearly on programme invitations and other meeting or conference related materials. Any hospitality provided at these meetings follow the spirit of the Gifts, Hospitality and Entertainment Policy ([POL 243431](#)).

① Staff contributions to, and by the lawful activities of the GSK Political Action Committee (PAC) in the US are unaffected by the provisions of this section. Staff may attend, on behalf of GSK events arranged, sponsored and/or funded through the GSK PAC.

① English law requires prior shareholder approval for any EU political expenditure, including sponsorship of political organisations, and political contributions. While we have no intention of making any political contributions or incurring any political expenditure, given the broad definition of a 'political' organisation under certain laws, in order to protect us against an inadvertent breach of law, we annually ask our shareholders to approve strictly limited funds to cover payments that could be considered political expenditure or a political donation.

## 2.14 Documentation

**Business Owner** is accountable for making sure interactions are documented and retained in line with the Policy on Global Records Retention ([POL 87171](#)).

The following transfers of value to and from government officials are recorded in an Interactions Log:

- Travel and accommodation expenses, when authorised as an exception.
- Hospitality when logging is required (see section 2.3).
- All paid contracted services with a government official.
- Gifts to and from a government official.

Transfers of value are logged in the government official's country of residence and in the country where the transfer of value takes place.



An Interactions Log Template is available. **Business Owners** can use other formats that meet the requirements of this standard. **BUs** are encouraged to establish a single central log.

The information collected in the log is *personal information* (PI). Follow the Privacy of Personally Identifiable Information Policy (POL 87130).

**RMCB** reviews the log at least yearly to ensure compliance, and that the nature and frequency of interactions with government officials are appropriate. In-country RMCBs are encouraged to consult with each other to ensure adequate oversight.

### 3. Commercial Bribery

Bribery and corruption among members of the private sector is strictly prohibited.

Commercial bribes relate to giving or receiving anything you or the recipient considers valuable, e.g: cash, gifts, services, job offers, loans, travel expenses, entertainment, hospitality, kickbacks, discounts, rebates, investment opportunities or funding in order to improperly influence any of the following:

- Buying goods or services.
- Provision of funds for GSK.
- Market access.
- Research and Development.
- Procurement processes (eg bid rigging or collusion practices). See the Standard on Competition Law (STD 332366).

① The lists above are not exclusive.

### 4. Third Party Management

**Business Owner** responsible for engaging a third party for GSK is accountable for managing the bribery and corruption risk.

Examples of how a third party may get involved corruption include:

- Direct or indirect bribery by the third party.
- Kickback arrangements.
- Deliberate diversion of excessive benefit to a third party controlled by someone who can be perceived as able to be corrupted by us.

The management of our third party's bribery and corruption risk requires the following steps depending on the risk they face:

- Due diligence: ensure and document that there is a:
  - business reason to engage the third party,
  - selection process,
  - FMV or *proportionality assessment*,
    - ① Consult the FMV Support Service for further guidance.
  - background check, including checking whether the third party is on GSK's Prohibited Parties List,



- check and resolution of any conflicts of interest.

Due diligence is refreshed as appropriate to maintain adequate oversight of our third parties.

- Contract: add approved ABAC contractual clauses to contracts and purchase orders.
- Training of relevant third parties.
- Monitoring: all types of engagements are subject to management monitoring, and may be subject to independent business monitoring, independent assurance and auditing of the third party.

**Business Owner** ensures that any red flags identified prior to and during the engagement are mitigated or resolved.

The company has established different standards to ensure these requirements are met for each type of engagement, including:

- Procedure for Managing Third Party Risk (SOP 462904)
- Third Party Oversight – ABAC Due Diligence SOP (SOP 645825)
- ABAC Business Development Due Diligence
- Engaging with external experts to provide services (SOP 344448)
- Grants and donations policy (POL 251355) and procedure (SOP 264719)
- Humanitarian product donations and emergency response procedure (SOP 257308)
- Working with Public Policy Groups (SOP 264721)

## 5. Solicitation and Extortion

We avoid opportunities for others to solicit an illicit payment.

There are no adverse consequences for refusing to make an illicit payment, even if that results in a negative impact to the business.

### 5.1 Risk reduction measures

To reduce the risk of solicitation, GMs are required to encourage:

- Use of electronic communications with external parties.
- Use of internal or external legal support when attending meetings with parties that present a higher risk of solicitation.
- Use of schemes or systems that reduce face-to-face contact when interacting with government officials or making financial transactions, even when this involves payment of a valid fee. This may include:
  - E-invoicing.
  - E-filing of taxes, contributions, licensing.
  - E-procurement, e-tendering, e-sourcing.
  - Electronic platforms for interactions or transactions with governments.
  - Trade facilitation schemes such as authorised operator, expedite shipments, pre-arrival processing, etc.



- Taking part in open constructive dialogue with external organisations to promote transparency, reduction of corruption risk and any other improvements to the business environment.

① Always conduct these engagements in accordance with relevant competition, procurement and public law, as well as in compliance with section 1.3, if relevant. Consult **Legal** to ensure compliance.

## 5.2 Responding to a demand

Refuse all solicitations of illicit payments. Depending on the situation, consider the following actions:

- Tell the person demanding the payment that you are required to report the incident, including the details of the person making the demand. Ask to speak to their managers and explain that any payment must be supported by a valid invoice or receipt.
- Assess other options.
  - ① For instance, if a government official demands a bribe during a routine transaction, ask yourself:
    - Are there other public offices or bodies, which do not pose a bribery risk, that can assist with your matter instead?
    - Are there effective on-line, electronic or postal channels of communication which avoid face-to-face interaction?
    - Can a third person be present going forward to reduce the risk of inappropriate requests (e.g. internal or external counsel)?
- Contact your **Line Manager** as soon as possible. If you are unable to contact your manager, inform them at the earliest possible chance after the event per section 5.4.
  - If the rejection to make a payment poses a security risk, call the 24-hour Corporate Security Control Room at GSK House (London) at +44 (0) 20 8047 3398 during office hours or +44 (0) 20 8047 5555 out of hours.
  - Local senior management may work with other companies facing similar demands and/or with international organisations towards coordinating a joint response to solicitation, either in one-off or systemic situations. Consult **Legal** before discussing any joint approach with another company to prevent violation of competition or procurement laws as well as to ensure compliance with section 1.3 if relevant.
  - Consult with **Legal** for options available to report the incident to the requestor's employer, the police, judicial authorities, or public reporting tools. Where available, consider using High Level Reporting Mechanisms linked to the Organisation for Economic Cooperation and Development (OECD)'s Anti-Bribery Convention.
  - If no other option exists to proceed legally and ethically, the **GM** is accountable, in consultation with the relevant global functions, for taking measures to avoid any bribery or corruption risk.



### 5.3 Payments under duress or extortion

Our security and safety, as well as those of our third parties, are a priority. If at any point during a bribe demand or extortion event you fear for your own safety or for the safety of others, you are allowed to make or offer to make the payment. These instances are rare.

These are called payments under duress and may be legally defensible. These are monitored and require documentation (see section 5.4).

Any instance of such payments being repeated, systemic or accepted as part of the way of doing business are not payments made under duress and are not allowed.

### 5.4 Reporting and recording

Report to your **Line Manager** and **Ethics & Compliance Business Partner** any demands received for a bribe, whether payment has occurred or not, at the earliest opportunity.

**Ethics & Compliance Business Partner** logs the case right away in the Integrity Issues Case Management (IIM) system, including the name of the relevant Corporate Security contact, so an investigation can start and, if appropriate, security procedures can be revised.

**Ethics & Compliance Business Partner** contacts **Corporate Security** at the earliest opportunity after the report has been made. **Corporate Security** determines if an action plan is needed to manage the retaliation risk and to minimise any future demands or extortions. **Corporate Security** can involve internal and external support, including assistance from diplomatic missions of relevant countries (e.g. UK or US embassies).

If any illicit payment has been made, **Ethics & Compliance Business Partner** ensures payment is recorded accordingly in our books and records. Any attempt to label the book entry under any other description carries severe legal consequences for the company.

## 6. Books and records and payments

Books and records include accounts, invoices, correspondence, memoranda, tapes, discs, papers, books, and other documents or transcribed information of any type.

All our financial books and records accurately reflect the rationale, purpose, substance and legality of transactions and payments.

We do not induce or facilitate third parties to make incomplete or misleading entries in their records.

We are alert to suspicious transactions where we have concerns regarding the parties involved, the structure and/or its proceeds.

The following practices are prohibited:

- Authorising or funding any transaction that is undisclosed or unrecorded in our books, records and accounts;



- Approving, inducing or making any payment with the purpose or understanding that any of it will be used for anything other than what is described in the supporting documents;
- Omitting, falsifying or disguising entries in any of our books and records or inducing or facilitating any third party to do so on their own; and
- Paying expenses that are improper, unauthorised, and/or not supported by adequate documentation.
- Dealing with, possessing, concealing or assisting any other person to deal with or conceal funds, assets or property where there is knowledge or suspicion that they relate to an underlying crime or terrorist funding.

If you have custody of books and records, you are responsible for their accuracy and security.

We regard transactions with unusual terms or features, such as use of cash or use of shell companies or entities based in tax havens or high-risk countries, as red flags (see section 4).

Payments are made and received in the country where the third party is resident and in the currency agreed in the contract. We do not make or receive payments to or from unrelated third parties or countries. Any exceptions require specific written approval by a member of the **Finance Leadership Team** supported by written advice from **Legal**.

**Finance** is responsible for the implementation and monitoring of the required controls to ensure compliance.

We provide further details of our transactions in response to valid requests –e.g.

- internal or external auditors
- GSK staff investigating allegations of misconduct
- tax authorities
- regulators
- government officials
- the police

If you become aware or have any suspicion that you are dealing with or are being asked to deal with, conceal or possess proceeds of any crime, this is reported immediately to **Legal**.

## **7. Employment Practices**

The following employment practices are directly linked to the management of our bribery and corruption risk:

### **7.1 Pre-employment screening**

Pre-employment / pre-engagement screening is used to help protect our employees, assets, intellectual property and products. This screening checks that the people we hire have:

- the qualifications they claim
- the experience required for their positions





- the alignment with our values and expectations
- no history of bribery and corruption.

① See the Pre-employment / Pre-engagement Screening SOP ([SOP\\_144388](#)).

## 7.2 Compensation and performance assessment

All employees are assessed on what and how they have achieved it in alignment with our values and expectations. Disciplinary actions from ABAC violations (e.g. failure to complete the ABAC mandatory training) are considered in performance reviews.

① See [our Performance System hub](#).

## 7.3 Discipline and enforcement

We review the facts of an ABAC investigation and consider whether the conduct warrants a disciplinary process. Disciplinary decisions are based on available information. Disciplinary action and sanctions are based on consistent global standards, and in line with local requirements. Certain confirmed allegations may warrant immediate dismissal.

## 7.4 Global recoupment ('claw back')

Employees who engage in bribery or corruption may be subject to the recoupment policies.

① See the Executive Financial Recoupment Policy ([POL\\_244070](#)) and the Global Senior Manager Financial Recoupment Policy ([POL\\_309828](#)).

## 7.5 Reward and recognition

We reward high performance and recognise outstanding achievements of employees consistent with our values and expectations. This includes helping the ABAC Programme improve by introducing new best practices or helping us reform current ways of working.

① See our [Reward and Recognition hub](#).

We support anyone who reports violations of ABAC standards or controls through our "Speak up" channels. Following the close of an investigation, appropriate recognition may be given to the employee who reports the concern.

① See the Safeguarding People Who Report Unethical or Illegal Conduct SOP ([SOP\\_224234](#)).

## 8. Other ABAC controls

This Policy is supported by other ABAC controls and all form the ABAC Network of Standards and Controls. The full list can be found [here](#).

You are responsible for making sure that other stricter and specific standards or controls relevant to your BU are always followed.



## Risk Management and Monitoring

### What monitoring is required for this policy?

GSK's Internal Control Framework (ICF) requires management have appropriate monitoring in place to address and reduce company risks. GSK's Enterprise Risk Plans (as adapted by businesses and functions) outline monitoring expectations for management to facilitate effective risk management.

Questions on risk management and monitoring can be raised to your business area **Ethics & Compliance Business Partner**, the Business Monitoring Strategy Group in Global Ethics and Compliance, or the aligned Enterprise /Business Risk Owners.

### What risks and business activities does this policy address?

#### Risk Areas

#### Business Activities

Anti-bribery and Corruption (ABAC) All Areas

Research and development; Make; Move; Commercialise; Working externally; Manage the organisation

## Glossary

Definitions of terms stated in this document and shown below can be found in the online [GSK Written Standards Glossary](#).

### Glossary Terms

|                             |                               |                              |                      |
|-----------------------------|-------------------------------|------------------------------|----------------------|
| Staff                       | Fair Market Value             | Other Healthcare Staff (OHS) | Third party meeting  |
| Money Laundering            | Proportionality Assessment    | Public Policy Groups         | Personal Information |
| Facilitation of Tax Evasion | Collective Actions            | Market Research              |                      |
| Fraud                       | External Expert               | Third Party Meeting          |                      |
| Government Officials        | Healthcare Professional (HCP) | Personal Information         |                      |

## Speak Up: Raise Questions or Concerns

If you are unsure about how to apply this policy or feel you need to raise an exception to it please bring this to the attention of your manager or **Ethics & Compliance Business Partner** as applicable.



If you see any violations of this company policy, please report it through the appropriate Speak Up channels. To find your local Speak Up integrity line number or to report online, please visit: [www.gsk.com/speakup](http://www.gsk.com/speakup)



## References

### Related Documents:

| <b>Doc Code &amp; No.</b>              | <b>Doc Name</b>   | <b>Doc Relationship</b>         |
|--|---|---------------------------------|
| <u>POL 251355</u><br><u>SOP 264719</u> | Grants and Donations Policy & Procedure   | Contains relevant ABAC controls |
| <u>SOP 191843</u>                      | Protecting and Mitigating Risk from External and Internal Communications Activities Procedure | Contains relevant ABAC controls |
| <u>STD 344428</u>                      | Code of Practice for Promotion and Scientific Engagement for Prescription Medicines           | Contains relevant ABAC controls |
| <u>STD-CHC-401</u>                     | Code of Practice for Promotion and Scientific Engagement for Consumer Healthcare              | Contains relevant ABAC controls |
| <u>SOP 344448</u>                      | Engaging with External Experts to Provide Services  | Contains relevant ABAC controls |
| <u>SOP 264721</u>                      | Working Public Policy Groups SOP  | Contains relevant ABAC controls |
| <u>POL 243431</u>                      | Gifts, Hospitality and Entertainment Policy   | Contains relevant ABAC controls |
| <u>SOP 306106</u>                      | SOP on Managing and Addressing Personal Conflicts of Interest                                 | Contains relevant ABAC controls |
| <u>POL 87191</u>                       | Policy on Global Records Retention  | Contains relevant ABAC controls |
| <u>STD 332366</u>                      | Standard on Competition Law   | Contains relevant ABAC controls |
| <u>SOP 462904</u>                      | Procedure for Managing Third Party Risk   | Contains relevant ABAC controls |
| <u>SOP 257308</u>                      | Humanitarian product donations and emergency response procedure                               | Contains relevant ABAC controls |
| <u>SOP 144388</u>                      | Pre-employment / Pre-engagement Screening SOP   | Contains relevant ABAC controls |
| <u>POL 244070</u>                      | Executive Financial Recoupment Policy   | Contains relevant ABAC controls |
| <u>POL 309828</u>                      | Global Senior Manager Financial Recoupment Policy   | Contains relevant ABAC controls |
| <u>SOP 224234</u>                      | Safeguarding People Who Report Unethical or Illegal Conduct SOP                               | Contains relevant ABAC controls |



## Additional Related Information:

| Information            | Where to find it  |
|------------------------|---|
| <b>Training</b>        | Mandatory ABAC annual training is provided to staff per their risk exposure. It is everyone's responsibility to complete such training in the specified timelines.<br><br>Managers ensure that there is a clear documentation trail confirming completion of ABAC training assigned to staff. |
| <b>Web Communities</b> | Additional supplementary materials can be found on the ABAC <a href="#"><u>Website</u></a>  |

## Administration

|                                   |   |
|-----------------------------------|---|
| <b>Governance Board Approval:</b> | ABAC Governance Board   |
| <b>Governance Approval Date:</b>  | 19-MAR-2018   |
| <b>Owner:</b>                     | Nick Hirons, SVP Global Ethics and Compliance   |
| <b>Author:</b>                    | Maria Arbona, Manager<br>ABAC Governance and External Engagement, GEC                       |
| <b>Legal Approvers:</b>           | Keith Gandy, Assistant General Counsel, Legal Corporate Functions                           |
| <b>History:</b>                   | This policy supersedes and replaces POL_150091 (12.0) - Anti-Bribery and Corruption Policy. |

### Changes since last revision

Typographical change from version 12.0 to 13.0 at section 2.8 from "Grants" to "Guests". All of the changes below still apply

### Overall:

- ABAC Policy (POL-GSK-007), POL\_150091 and ABAC Standard STD\_455141 have been consolidated in this Policy and the ABAC Standard is retired.
- General plain English review and adaptation to new corporate format.
- Inclusion of language related to the prevention of facilitation of tax evasion and anti-money laundering.

### Interactions with Government Officials:

- Removed 'external experts' from the Standard's scope. Controls regarding engagement of external experts with influence on government have been transferred to SOP\_344448 (Engagement of External Experts SOP).
- Clarified the role of legal and of the GM in determining the status of a government official.
- Clarified that provision of simple local ground transportation does not require CET exception.
- Clarified that GM can provide general or case-by-case approval regarding acceptable venues for meetings with GOs.
- Clarified that logging of transfer of values to GOs is done in the GO country of residence and where the interaction takes place.
- Removed the requirement to log unpaid services, focusing only on transfers of



value (risk based approach).

- g. Introduced controls regarding staff that become candidates for public office or accept positions in government.

**Third Party Management:**

- a. Provided link to FMV Service to enhance awareness of their tools and guidance.

**Political Contributions:**

- a. Combined controls in section 2.13 after retirement of POL\_87161: Policy on Political Contributions.

**Solicitation and Extortion:**

- a. Revised language to extend controls and guidance to all type of extortion
- b. Clarified responsibilities for reporting and recording.

**Previous Versions:**

10-Oct-2018: POL\_150091 (12.0)  
01-Mar-2017: POL\_150091 (11.0)  
22-Dec-2015: POL\_150091 (10.0)

**Document Alias:**

Historical document legacy code POL-GSK-007

**Records Retention:**

Retain versions in accordance with [GSK Records Retention Schedule](#) code GRS071, unless overridden by an active [Legal Preservation Notice](#).

**See document header and system signature page for document effective date**