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GSK publishes 2008 Corporate Responsibility Report

- **Details on new proposals to tackle diseases of the developing world**
 - **New commitments to enhance transparency to facilitate clinical research**
 - **Charitable support increased by 13%**
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In its Corporate Responsibility Report published today, GSK reiterated its commitment to running its business responsibly and transparently. GSK provided an update on how it will work to improve access to medicines in the developing world and further details about initiatives outlined in February. The company announced additional steps to build on its commitment to the transparency of clinical research data and the public disclosure of its financial interactions with healthcare professionals. It also reported a substantive increase in its level of charitable support.

Commenting on the report, Andrew Witty, CEO of GlaxoSmithKline said: "We recognise that GSK has unique and privileged capabilities. Continually strengthening our contract with society is vitally important and this is why we are fully committed to operating to the highest ethical standards. This report emphasises our determination to do just that - whether it is by cutting prices in the world's poorest countries, being more flexible with our intellectual property to encourage more research into neglected diseases, or increasing transparency to facilitate clinical research. As we move forward, we will continue to look for new ways and new partnerships to improve global public health and research."

Details on proposals to tackle diseases of the developing world

Building on the commitments outlined in February by Andrew Witty, at Harvard Medical School, GSK is taking steps to deliver on its promise to make patented medicines more affordable and help to improve medical care in the developing world. GSK will:

- Explore a more flexible approach to intellectual property rights to stimulate research into medicines for neglected tropical diseases. **GSK will place over 500 granted patents and over 300 pending applications (relating to approximately 80 patent families) in a pool to help others to develop potential medicines for neglected diseases.** In addition to providing access to these patent filings, GSK will set out a mechanism to enable third parties to request access to other intellectual property and know-how about its medicines which may help researchers to develop new treatments for neglected tropical diseases.
- Reduce prices for patented medicines in the Least Developed Countries so they are no higher than 25% of the developed world price, as long as this covers cost of goods (to ensure this policy is sustainable). **GSK will make price reductions on 110 products and formulations across Least Developed Countries with an average price reduction of 45%. This will come into effect from April 1 2009.**
- Reinvest 20% of profits made from sales of medicines in the Least Developed Countries to support strengthening of healthcare infrastructure. **GSK will identify the first projects to invest in over the coming months.**

New commitments to enhance transparency to facilitate clinical research

GSK has already taken substantive steps to be transparent with its clinical research and interaction with healthcare professionals. **Today, GSK announced further advances in this important area to facilitate clinical research.** GSK will:

- Expand publication of research of its medicines on its Clinical Study Register which will now include all analyses of multiple clinical trials (meta-analyses), observational studies that use patient data from real world settings and clinical data from research programmes that have been terminated in development. In addition, GSK will commit to the submission for publication of clinical study results as manuscripts in peer-reviewed journals wherever possible. For studies that are not published, GSK will commit to providing context and interpretation of the results on the Clinical Study Register.
- Include the names of investigators who participate in newly initiated GSK-sponsored clinical trials in the summary information posted to the GSK Clinical Study Register.
- For clinical trials starting in 2010 publicly report payments to US healthcare professionals and/or their institutions to conduct the trial. Thereafter, this will be extended to payments for other types of research and to healthcare professionals and institutions outside the US.
- Report advisory fees to healthcare professionals in Europe. This is in addition to the commitment GSK previously announced, that the company will, from 2009, publish a report of speaking and consulting fees paid to US healthcare professionals.

GSK charitable support increased by 13%

GSK announced that global giving to charitable initiatives in 2008 totalled **£124m, an increase of 13%** over the previous year (on a like-for-like basis.) The £124m comprises £68m of product donations, £37m of cash donations, £15m of management costs and £4m of in-kind donations.

This is the first year GSK has valued product donations using average cost of goods rather than the higher wholesale acquisition cost (WAC). The new approach is a more accurate reflection of the true cost to the company and is therefore more transparent.

The £68m product donations include:

- A continuation of the programme to eradicate lymphatic filariasis, a neglected and debilitating disease commonly referred to as elephantiasis. Since 1998, GSK has donated over 1 billion albendazole treatments and 570 million people in 48 countries have now been treated.
- £5m of humanitarian product donations for impoverished communities and humanitarian relief efforts, including the cyclone in Burma and earthquake in China.
- £56m provided via Patient Assistance Programmes for low income patients in the US.

The £37m of cash donations are delivered through partnerships with hundreds of charitable organisations. These include:

- GSK funding 'Positive Action' for HIV and AIDS delivering education, prevention and healthcare services in 21 countries.
- GSK's 'PHASE' programme, which helps to prevent diarrhoeal diseases through better hand-washing for over half a million children in 13 countries.
- Donations of over £8m to support education programmes, including science and literacy.

The full report or individual sections can be found at www.gsk.com/responsibility. It covers key issues of responsibility including access to medicines, research and business ethics, the environment, employment practices, stakeholder engagement and investment in communities.

GlaxoSmithKline – one of the world's leading research-based pharmaceutical and healthcare companies – is committed to improving the quality of human life by enabling people to do more, feel better and live longer. For further information please visit www.gsk.com

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