

# GlaxoSmithKline Consumer Healthcare India (GSKCH) Corporate Policy

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## Policy on Corporate Social Responsibility

Effective Date: 1 April 2014

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### OUR MISSION:

We at GlaxoSmithKline Consumer Healthcare Ltd. (GSKCH) believe in deliver sustainable performance while creating shared value for our customers, employees and the communities which we serve. Our mission statement **“To improve the quality of human life by enabling people to do more, feel better and live longer”** is taken forward through our values of Consumer first, Respect, Transparency & Integrity in everything that we do.

### OUR COMPANY :

**GlaxoSmithKline Consumer Healthcare India Ltd.** (GSKCH) is a leading consumer healthcare company that operates across nutrition, wellness and oral care categories with leading brands like Horlicks, Boost, Eno, Crocin, IodexM Sensodyne and Parodontax. GlaxoSmithKline Consumer Healthcare India Ltd is a listed entity managed by a Board of Directors including prominent independent directors. GSKCH is a subsidiary of **GlaxoSmithKline (GSK)**, one of the world's leading research-based pharmaceutical and healthcare company, is committed to improving the quality of human life by enabling people to do more, feel better and live longer.

### Our CSR Focus

Corporate Social Responsibility ("CSR"), to our Company is a genuine and sustainable investment in the community that we are a part of and is not just philanthropy. This is a conscious and committed effort to contribute in every possible way we can. We believe that through effective CSR outreach, we have the extraordinary opportunity to redefine the way in which a company can help enable change in the world.

Our CSR focus is inspired by our Global CR under the following heads - Our People, Health for All, Our Planet & Our Behaviour.

#### Health for All

As a key player in the healthcare area, our primary contribution is to develop, market and distribute products based on high science to improve the quality of life of our consumers. Our social outreaches include sustainable partnership with various community projects through established NGOS to advance awareness about and access to nutrition and healthcare to society; providing health and hygiene awareness to mothers and children;

## Our Planet

We remain committed to minimizing our environmental impact all across our value chain and lifecycle. As a company we are also geared up to provide timely on ground disaster support.

## Our People

We believe and act on a culture of generosity and compassion characterized by willingness to build a society that works for everyone through contributions beyond commercial including education, meaningful sustainable partnerships.

## Our Behavior

As a company we believe in the philosophy of compassionate care and our Our Board of Directors, Management and our employees subscribe to it. Our values of Transparency, Respect, Integrity and Consumer first guide us and our partners in our various outreach.

Our **CSR MISSION** is based on the CSR focus defined as “**To lend a helping hand to the less fortunate in our society through the support of women, children and the aged in the areas of health, education and sustainability**”.

In order to bring this mission alive, our **CSR Activities** will focus on the following areas:

1. **Education** – including special education and leading to sustainable livelihood especially that of women
2. **Health & Nutrition** – towards eradicating malnutrition leading to good health for children and mothers and awareness about hygiene, safe food and water.
3. **Ensuring Environmental Sustainability, ecological balance etc** – leading to conservation of natural resources
4. **Improving Employment enhancing vocational skills**

In addition to this we will also participate in

1. **Disaster Support** – to provide relief to disaster affected communities
2. **Volunteering** – to create a culture of shared value for our employees
3. **Any other** in line with schedule VII of CSR Rules under Companies Act

The objective in each of the interventions is to create a sense of ownership and to ensure that projects and programmes in each of these spheres are sustained.

Several development programmes have been implemented in last few years aiming at building trust and improving the quality of life not only in and around the places where the Company operates but also in areas where there is an urgent need for intervention. This has been done in the form of addressing malnutrition or building awareness on hygiene and safety or addressing specific community level health issues or risks like AIDS or activities which help in ensuring environmental sustainability.

## **Our CSR Committee**

In order to drive and oversee all its social development initiatives GSK Consumer Healthcare, India has constituted the CSR (Corporate Social Responsibility) Committee. The committee functions as per GSKCH's vision, mission, CSR policy and strategy; guided by the global CSR objectives and guidelines. The committee comprises of independent Board members and will be supported by senior leaders of GSK. The members are so chosen as to provide thought leadership, guidance, advice and policies to drive the sustainability agenda of the organization.

### **The members of the CSR Board Committee are:**

1. Mr P Dwarkanath – Non executive Director
2. Mr Naresh Dayal – Non executive Director
3. Mr Mukesh Bhutani – Non Executive Director
4. Mr R Subramanian - Executive Director

### **Role of this Committee:**

- Defining a CSR Policy
- Constitution of the CSR Committee
- Approval of the CSR Policy & Activity plan
- Monitoring and Disclosure of
  - Activities
  - Spend

The CSR Committee will be supported by an internal committee of GSKCH, including members from different functions directly involved in the different initiatives being undertaken by the company. This team will also engage regularly with other external experts including representatives of the NGOs with which GSK will work over the year.

### **Role of this GSKCH CSR internal Committee would be to:**

- Formulate and recommend a CSR Policy to the CSR Committee
- Recommend activities and expenditure for each
- Implement the CSR Policy and monitor the programmes every quarter to ensure that the allocated fund is rightly spent for the intended purpose

## **Management of CSR activities**

The initiatives are largely driven through collaborative partnerships with carefully identified and selected credible Non-Government, non-profit organizations with long track record of good work in respective fields. Projects are finalized in a participatory manner in consultation with the NGOs and if possible with experts from the locations. This helps widen the Company's reach and leverage upon the collective expertise, wisdom, and experience that these partnerships bring to the table.

In addition to the above, the CSR outreach of the company will also include direct engagement in select projects as identified and approved by the Committee.

The Company may also engage with well established and recognized national platforms established by apex industry bodies like CII, FICCI, etc. given their commitment to inclusive growth.

### **Process of engagement**

1. Finalisation of project proposals from NGOs in the beginning of the year, basis the type of intervention, probable impact, details of a baseline study of the locations, health indicators, literacy levels, sustainable livelihood processes, state of infrastructure etc.
2. Finalisation of direct contact programmes led by GSK in collaboration with relevant NGOs basis social and environmental priorities in the areas of awareness building in health and nutrition issues, Women empowerment, livelihood generation, environmental sustainability etc.
3. Direct support to any national disaster basis the gravity of the impact on the community
4. Direct contact programmes led by manufacturing Units owned by GSK (Sonepat, Nabha and Rajamundry) basis the need of the community surrounding the sites

### **BUDGETS**

1. A specific budget will be allocated every year and approved by the Board of Directors for CSR activities which will be around 2% of net profit (calculated as average of last 3 years net profit)
2. Add on to the allocated budget any income arising from previous years' activities if any and any surplus arising out of these activities

### **INFORMATION DISSEMINATION**

The Company's engagement in this domain shall be disseminated through its website, annual reports, in-house journals and through other internal communication systems.

While here in the policy the specific areas that GSKCH India will engage in and the processes which it will follow are outlined, before end of each year, the specific projects and budget for the next year will be proposed by the CSR Committee to the Board and duly approved. A list of activities/specific Projects undertaken in the year 2013 and the proposed activities/programmes for 2014-15 are attached in Annexure 1 & 2 respectively.

### **ADMINISTRATION**

- 7.1. Approval: GSKCH Board of Directors
- 7.2. Sponsor: CSR Committee of the Board
- 7.3. Author: GSK CSR Committee
- 7.4. Date: 1 April 2014
- 7.5. History: New GSKCH India Policy