

1. Policy Intent

GSK Rx India is a values-based business which believes that Corporate Social Responsibility (“CSR”) is an investment in the social asset of the country and an integral part of the ethos of the Company. This CSR Policy intends to:

- Highlight the Company’s commitment to social welfare
- Outline the Company’s core CSR commitments
- Create robust processes and replicable models for delivery of social sector services

2. CSR Vision

Enable people to lead healthy and enriched lives by addressing the primary healthcare burdens of Accessibility, Affordability and Awareness and by promoting education related to field of healthcare.

3. CSR Commitments

- Promote people’s access to quality and affordable healthcare
- Combat preventive diseases through health awareness
- Promote education through employment enhancing vocational skills related to the field of healthcare
- Encourage employees to volunteer in CSR activities
- Any other activity approved by the CSR Committee and the Board

4. CSR Projects

The Company will undertake following CSR projects:

I. Access to Healthcare

- i. Mobile medical clinics and/or static clinics in urban slums and rural areas
- ii. Training of community health workers

II. Affordability of Healthcare

- iii. Infrastructure and facility upgradation of healthcare facilities
- iv. Subsidies for life saving/life altering treatments
- v. Product donations

III. Awareness regarding Healthcare

- vi. Awareness building programmes for children on communicable diseases
- vii. Screening and awareness for major non-communicable diseases

IV. Promoting Education related to Healthcare

- viii. Employment enhancing vocational skills related to the field of healthcare

5. Areas of Operation

The Company will implement CSR projects in partnership with carefully selected organisations, which will be designated as ‘CSR Partners’. The areas of operation for Company’s CSR project(s) will be determined by the need and scope of the said project(s).

6. Allocation of Funds for CSR

The Company will spend 2 per cent of the average of net profits of the preceding three years on CSR activities, designed and implemented in accordance with the CSR policy.

CSR Budget allocation:

- 80 per cent of the budget to be utilised for long-term CSR projects. Long-term CSR projects are:
 - Internally designed as per CSR policy and strategy
 - Geographically widespread projects
 - Targeting large number of beneficiaries
 - Implemented through CSR Partners selected and approved by the CSR Committee
 - Requiring investment of more than or equal to INR 5 million
 - Project support for a minimum of 3 years to create measurable impact
- 15 per cent of the budget to be utilised for short-term CSR projects. Short-term CSR projects are:
 - One-time donation for a specific project, to be reviewed each year
 - Donations of less than INR 5 million
- 5 per cent of the budget to be utilised for related CSR activities, as approved by the CSR Committee, in pursuance of the CSR policy

7. CSR Implementation

The Board of Directors will oversee the implementation of CSR through a three tiered structure, comprising of the board level CSR Committee, a CSR Working Group and CSR Nodal Officer(s).

CSR Committee

The Company's Board of Directors will nominate a CSR Committee comprising of three Directors, including at least one independent Director. This committee will meet once every quarter.

Role of the CSR Committee:

- Formulate and recommend the adoption of CSR Policy to the GSK Rx India Board of Directors
- Provide strategic direction for CSR
- Recommend the annual expenditure on CSR activities to the Board
- Monitor the implementation of the CSR Policy

CSR Working Group

The CSR Working Group will comprise of the Managing Director; Finance Sr. Executive Director; Human Resources Executive Director; Pharmaceuticals Medical Director; Head – Legal & Corporate Affairs; General Manager – Compliance; Head – Corporate Communications and the Company Secretary. This Group will meet once every quarter.

Role of the CSR Working Group:

- Review and recommend to the CSR Committee for approval CSR projects, in line with the CSR Policy
- Review and recommend to the CSR Committee for approval the selection of CSR Partners for implementing CSR projects
- Monitor the implementation of CSR projects and submit a half yearly report for review by the CSR Committee

CSR Nodal Officer(s)

CSR Nodal Officer(s) will be responsible for implementation of CSR activity/programme(s) through carefully selected CSR Partners.

Role of the CSR Nodal Officer(s):

- Prepare annual CSR plans and budgets for CSR projects for approval by the CSR Committee, through the CSR Working Group
- Recommend CSR Partners for implementing the approved CSR projects. These recommendations are to be reviewed and approved by the CSR Committee, through the CSR Working Group

- Oversee implementation of CSR activities through CSR Partners in respective locations through regular meetings, site visits and reports
- Report to the CSR Committee, through the CSR Working Group, on the progress of CSR initiatives on a quarterly basis.

8. Monitoring of CSR Activities

Internal Process

There will be an internal process to monitor and evaluate the impact of CSR initiatives. The CSR Committee will review the annual plans and projects under CSR and advise the CSR Working Group accordingly. CSR Nodal Officer(s) will implement the CSR Policy through CSR Partners and report on progress of the CSR initiatives to the CSR Committee, through the CSR Working Group.

Social Impact Assessment

There will be a social audit conducted once in every three years by an external party, selected by the CSR Working Group and approved by the CSR Committee, to assess the impact of the CSR projects undertaken. The CSR Committee will review the 'Impact Report' and advise the CSR Working Group accordingly.

9. CSR Reporting & Communication

CSR Nodal Officer(s) will prepare CSR Progress Reports. These Progress Reports will be reviewed by the CSR Working Group, which will then present the same to the CSR Committee for their review, on a quarterly basis. Progress on CSR will also be reported in the Company's Annual Report.

CSR reporting will comprise of both Financial and Programme reports.

10. Employee Volunteering

The Company will take steps to actively encourage employee volunteering. This will enable employees to be privy to the social realities of the country and to contribute to make a positive difference to the society.