



# GSK Public policy positions

## Marketing Practices and Scientific Engagement

GSK is committed to ethical, responsible, principled and patient-centred promotional practices. We engage the healthcare community in various ways to advance our scientific knowledge as well as to provide important information about our medicines.

Our practices conform to high ethical, medical and scientific standards that are determined by law and regulation, promoted by industry associations and embraced by the company. They are also consistent with our company values of transparency, integrity, patient-focus and respect. All GSK marketing and promotion is based on valid scientific evidence, is consistent with national prescribing information documentation and complies with all applicable laws and regulations established at national levels.

Corporate responsibility, including ethical marketing practices, is an essential part of our business. It is implemented through sound business practices requiring us to operate in a manner that is responsible to all stakeholders, including our shareholders and society at large.

Health authorities regulate product approval, labelling, information provided to healthcare professionals (HCPs) and patients, as well as product claims. In some countries, health authorities also regulate promotional materials and the provision of samples.

## GSK and Industry Marketing Codes

GSK operates in more than 150 countries. Since 2012, we have implemented *global* standards that govern promotional activities and scientific engagement undertaken by the company or on its behalf. All of these activities conducted by GSK worldwide must conform to high ethical, medical, and scientific standards as laid out in the global GSK *Code of Practice for Promotion and Customer Interactions*. Where local standards differ to GSK standards, the more stringent of the two applies.

In addition to our own Code of Practice, GSK abides by industry guidelines and codes established by national industry associations as well as the key guidelines from major international industry associations. These codes and guidelines supplement government regulation and provide guidance and self-discipline for ethical marketing practices. Key examples include:

- In the United States, we abide by the PhRMA Code on Interactions with HCPs and the PhRMA Guiding Principles on Direct to Consumer Advertising of Prescription Medicines.
- In Europe, GSK observes individual country laws, regulations and industry codes, including the European Federation of Pharmaceutical Industries and Associations (EFPIA) Code on the Promotion of Prescription-only Medicines to, and Interactions with, HCPs.
- Across Emerging Markets & Asia Pacific, GSK observes individual country laws, regulations and industry codes where they exist, including the International Federation of Pharmaceutical Manufacturers & Associations (IFPMA) Code of Practice.
- In Japan, we follow additional requirements to satisfy the Japanese Pharmaceutical Manufacturer's Association (JPMA) Marketing Code.

## Marketing Code Training and Implementation

New GSK sales representatives are trained on the medicines they promote, the diseases the medicines are designed to treat and appropriate marketing practices according to our Code of Practice and their own national requirements. The training provides a thorough understanding of their obligations and responsibilities. We use the most appropriate training techniques for the sales representatives and products being covered. These include self-study based on company developed materials, one-on-one in the field sessions with managers, web-based learning and in-house training courses.

GSK also provides training on our Code of Practice to other employees who require an understanding of the policies, in particular to those in Marketing, Legal, Medical and Regulatory roles. For other employees, the Code is available for reference in hard copy and/or on computer-based systems.



Across GSK, the training and testing of our sales representatives is handled at the individual country level, with training and testing occurring on hiring and then again on an annual basis. When our Code is updated, we issue new documentation and train our staff about the relevant changes.

Once trained, our sales representatives are assigned to a territory and are responsible for regular contact with HCPs to provide information on a number of designated medicines. Sales representatives are supervised by sales managers who are responsible for ensuring staff meet business objectives while adhering to our Code of Practice. On occasion, these managers work with their sales representatives on HCP visits and educational events being run by their representatives, providing oversight and monitoring performance.

### Facilitating a Culture of Compliance

GSK operates in a complex legal, regulatory and commercial environment that spans the globe and has a great deal of variability from one region or country to the next. Increasing demands on national healthcare systems are creating dynamic business environments that are changing rapidly and, at times, dramatically. In light of this, GSK promotes ethical behaviour and compliance with all company policies, laws and regulations by having an effective internal control framework in place at local, regional and relevant business unit levels.

Beyond ongoing day to day management, there are additional controls to provide oversight of GSK's marketing and sales practices. Various parts of the organisation, including Finance, Human Resources, Legal, Compliance and Internal Audit, work together to ensure compliance with applicable laws and regulations, industry guidelines and our Code of Practice. Individual business groups/departments have established independent monitoring programmes (e.g. expense account monitoring) and processes to ensure an appropriate level of review and approval prior to activities taking place. For example, all promotional materials and activities must be reviewed and approved according to our Code of Practice, as well as in accordance with local laws and regulations, to ensure that the materials and activities fairly represent the products or services of GSK (and of third parties). We work consistently to ensure our policies are complied with and to ensure they remain relevant to the current market and regulatory environment.

In recent years GSK has taken a leading position in various areas of commercial practices and scientific engagement. Developments include removing prescription-volume incentives from compensation of sales representatives in the US (in countries outside of the US this will occur by January 2015); deciding to end direct payments to HCPs for speaking engagements or attendance at medical conferences by 2016; introducing global standards for scientific engagement; and voluntarily disclosing clinical research data.

In addition, GSK's internal Audit & Assurance Department reviews sales and marketing activities on a regular basis to ensure proper procedures are in place and adhered to. This audit process provides another way to identify areas that need to be addressed or are a cause for concern, and to make any necessary changes to support comprehensive compliance with our policies.

### We Act Upon Code Violations

Any concerns from HCPs, patients or the general public about our marketing practices can be raised with the company through a variety of channels. By encouraging and being open to real and legitimate complaints from any source on any aspect of our compliance efforts, a more effective and transparent operation exists than would be obtained by relying on internal monitoring alone. Customer response-centre staff are trained to deal with concerns from outside the company and to redirect calls to appropriate senior management or Compliance staff. Where health authorities regulate our activities, concerns can of course be raised directly with the appropriate government body.

GSK encourages employees, complementary & contingency workers, vendors and any other groups we do business with to report concerns over possible misconduct, potential conflicts, or known breaches of our Code of Practice and other company policies and procedures, including our Code of Conduct.



Individuals can speak with their manager, Human Resources professional or Compliance contact or can raise concerns via a website, via post or via a toll-free confidential 'integrity helpline'. All concerns are handled promptly, discreetly, and professionally. Discussions and inquiries are kept in confidence to the extent appropriate or permitted by law.

There may at times be violations of our Code of Practice, as well as local national requirements. When that happens, the priority is to correct the problem as rapidly as possible. Internal violations are dealt with in line with normal company disciplinary procedures and accountable individual(s) are subject to training and discipline as appropriate. When necessary, we dismiss employees who have engaged in misconduct and we have broadened our ability to claw back remuneration from senior management in the event of misconduct.

As part of GSK's commitment to greater transparency, we also publish the figures associated with Code violations in our Corporate Responsibility Report. In 2013, for example, 3128 employees were disciplined for policy violations, including 161 cases of employees breaching our Code of Practice. Of these 161 cases, 48 resulted in dismissals and 113 documented warnings.

When a problem is more widespread, the remediation process will likely include control enhancements, significant training initiatives and/or modification of one or more of our policies and procedures as appropriate. GSK will make the changes necessary to address issues and ensure that those changes are then cascaded throughout the affected organisation to re-train, implement, monitor and verify the revised Code.

### Scientific Engagement v Marketing

It is important that GSK actively engages in scientific debate and communication outside the company. This enables us to participate fully in the development of scientific understanding, to benefit from the knowledge of leading external scientists, practitioners and patients and to apply the best science to the development of our medicines and vaccines. However, we fully recognise the need to avoid activities which could be construed as promotion of a new product or a new use of an existing product before we have the necessary marketing authorisation.

To support this we have implemented clear scientific engagement operating standards for the way we work, to emphasise the distinction between non-promotional scientific dialogue and legitimate promotional activity to support licensed products. These standards apply to all scientific and medical interactions with any external groups, including HCPs, payers, governments, patient groups and the media.

We believe that if our scientific activities appear in any way to be promotional, our credibility will be undermined and we will lose the trust of our stakeholders. These standards therefore support our aim of being seen as a trusted and valued scientific partner in developing medicines and vaccines that enhance patient care.

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