

Dear Mrs Balbir Kelly-Bisla,

In May 2015 we attended GlaxoSmithKline's annual general meeting in the context of our research on the ethical behaviour of pharmaceutical companies. Since the AGM we have been in touch with GlaxoSmithKline on this topic on several occasions. We very much appreciate the dialogue that we had until now and hope to continue this in a constructive manner.

Steps forward

We applaud the steps that GlaxoSmithKline has taken in the last year, as it has significantly changed the way the company markets and sells its medicines. We have taken note of the company's policy to no longer pay external health care professionals to promote its medicines to other prescribers as of January 2016. Also, we want to compliment GSK for adjusting the language of its code of conduct to make the rules more understandable for employees, in order to advance compliance. And we are curious to learn what the effects are and how it is received by employees. Although we are happy with the changes, we also feel that a number of issues require further attention and in our continued dialogue with GlaxoSmithKline we would like to address these matters. At the AGM we would like to address two issues in particular, being the remuneration policy and the payments to health care professionals.

Questions

This year we will again attend your AGM and would appreciate to further our dialogue ahead of and in a follow-up to the meeting we had in October 2015. Also in preparation of the AGM, we would appreciate it if we could receive the documentations GSK promised to send us, as we feel that this can help us prepare for your AGM.

1. At the annual general meeting in May 2015, the board of directors announced that GlaxoSmithKline would no longer base its remuneration policy on volume-based targets, thus removing the incentive among sales personnel to sell medicine based on volume rather than applicability. Also in our meeting in October you stated that this policy is now applicable to GSK worldwide. We encouraged making this policy public as we feel it promotes ethical medicine promotion. In our meeting in October 2015 you promised to send us information on the altered remuneration policy. The information on GlaxoSmithKline's website unfortunately does not give enough detail about the policy, as it does not name the criteria that are used to determine the remuneration. The information that you sent to us on March 11 suggests that this policy in any case has been rolled out for sales personnel. Besides a presentation on the website that you rolled out a Global incentive for sales force compensation we would therefore urge you to make the policy publicly available.
2. Although GSK ceased the payments made to health care professionals for promotional purposes, at the moment GlaxoSmithKline is still paying health care professionals for educational purposes. We see that GSK is making efforts in making these payments public and is coming with a report for Europe in June. We very much applaud this. However, we would like to see all payments to health care professionals in all other countries where GlaxoSmithKline is active being made public, as this transparency further promotes ethical medicine promotion. For example, for a country like China, this in our view would certainly be of added value. GlaxoSmithKline states on its website that it is continuing to work towards publishing this. Could you inform us when and where can we expect this information?

We hope we can have the opportunity to discuss matters with your company before the 29th of April.

Sincerely,
ASN Bank

Hansje van der Zwaan & Charlotte Scheltus