

Particulars

About Your Organisation

1.1 Name of your organization

GlaxoSmithKline Consumer Healthcare Holdings Limited

1.2 What is/are the primary activity(ies) or product(s) of your organization?

- Grower
 - Processor and/or Trader
 - Consumer Goods Manufacturer
 - Retailer and/or Wholesaler
 - Bank and/or Investor
 - Social and/or Development NGO
 - Environmental and/or Conservation NGO
 - Supply Chain Associate
 - Affiliate
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1.3 Membership number

4-0892-17-000-00

1.4 Membership category

Consumer Goods Manufacturers

1.5 Membership sector

Ordinary

Consumer Goods Manufacturer

1. Operational Profile

1.1 Please state your main activity(ies) within the palm oil supply chain. Please select the option(s) that apply to you

- End-product manufacturer (checked)
Food goods manufacturer
Ingredient manufacturer
Home & personal care goods manufacturer (checked)
Own-brand manufacturer
Manufacturing on behalf of other third-party brands
Biofuels manufacturer
Other

Other:

2. Palm Oil and Certified Sustainable Palm Oil Use

2.1 Please include details of all operations using palm oil, owned and/or managed by the member and/or all entities that belong to the group.

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2.1.1 In which markets do you manufacture goods with palm oil and oil palm products?

Applies globally

2.1.2 In the market(s)/country(ies) where you operate, do you calculate how much palm oil and oil palm product there is in the goods you manufacture?

No

2.2 Volumes of palm oil and oil palm products purchased

2.2.1 Total volume of crude and refined palm oil used in the year (tonnes)

N/A

2.2.2 Total volume of crude and refined palm kernel oil used in the year (tonnes)

N/A

2.2.3 Total volume of palm kernel expeller used in the year (tonnes)

N/A

2.2.4 Total volume of other palm-based derivatives and fractions used in the year (tonnes)

N/A

2.2.5 Total volume of all palm oil and oil palm products used in the year (tonnes)

N/A

2.3 Volume of palm oil and oil palm products used in the year in your own brand products that are RSPO-certified (in tonnes):

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.3.1 Book and Claim from Mill / Crusher	N/A	N/A	N/A	N/A
2.3.2 Book and Claim from Independent Smallholder	N/A	N/A	N/A	N/A
2.3.3 Mass Balance	N/A	N/A	N/A	N/A
2.3.4 Segregated	N/A	N/A	N/A	N/A
2.3.5 Identity Preserved	N/A	N/A	N/A	N/A
2.3.6 Total volume	N/A	N/A	N/A	N/A

2.4 Volume of RSPO-certified palm oil and oil palm products sold to 3rd party RSPO certified companies (in tonnes)

Description	Crude and Refined Palm Oil	Crude and Refined Palm Kernel Oil	Palm Kernel Expeller	Other palm-based derivatives and fractions
2.4.1 Book and Claim from Mill / Crusher	N/A	N/A	N/A	N/A
2.4.2 Book and Claim from Independent Smallholder	N/A	N/A	N/A	N/A
2.4.3 Mass Balance	N/A	N/A	N/A	N/A
2.4.4 Segregated	N/A	N/A	N/A	N/A
2.4.5 Identity Preserved	N/A	N/A	N/A	N/A
2.4.6 Total volume	N/A	N/A	N/A	N/A

2.5 According to the information you have provided in this questionnaire, your company has not reached 100% sustainable palm yet by using the four supply chain models (Book and Claim, MB, SG, IP). Do you have plans to immediately cover the gap by using RSPO Credits?

N/A

2.5.1 When do you plan to cover the gap by using RSPO Credits?

N/A

2.5.2 Please explain why

N/A

2.6 What is the percentage of RSPO Certified Sustainable Palm Oil in the total palm oil used by your company in the following regions:

2.6.1 Africa

0%

2.6.2 Oceania

0%

2.6.3 Europe

0%

2.6.4 North America

0%

2.6.5 Latin America

0%

2.6.6 Middle East

0%

2.6.7 China

0%

2.6.8 India

0%

2.6.9 Indonesia

0%

2.6.10 Malaysia

0%

2.6.11 Rest of Asia

0%

3. Time-Bound Plan

3.1 Year of first supply chain certification (planned or achieved)

2020

3.2 Year expected to/or started to use any RSPO-certified sustainable palm oil and oil palm products in your own brand products

2020

3.2.1 If target has not been met, please explain why.

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3.3 Year expected to be using 100% RSPO-certified sustainable palm oil and oil palm products from any supply chain option in your own brand products.

2030

3.3.1 If target has not been met, please explain why.

Our external goal is to be using 100% sustainable solutions for palm oil and palm products by 2030. In 2015, started investigating materials used in its products that contain palm oil or palm oil products. In 2016, GSK and the Rainforest Alliance co-developed a sourcing standard for palm oil materials. GSK set its targets for sustainable palm oil sourcing which includes book & claims as an option. Since then, GSK engages with suppliers of palm oil, palm oil derivatives and palm kernel to understand if they have responsible sourcing standards in place. In 2017, GSK joined the RSPO and in 2018 started purchasing book & claims credits. In 2019, we contracted 4% mass balance physically certified glycerine and 100% segregated palm oil. This year, we are working internally to increase our maturity level and moving towards a higher percentage of physical certified material for glycerine. If we are not able to meet our 100% sustainable solutions targets via physically certified materials due the inability of finding enough physically certified material to cover our volumes for example, we will use certificates to cover the gap between physically certified materials and our total purchases.

3.4 Year expected to be using 100% RSPO-certified sustainable palm oil and oil palm products from physical supply chains (Identity Preserved, Segregated and/or Mass Balance) in your own brand products.

2030

3.4.1 If target has not been met, please explain why.

Our external goal is to be using 100% sustainable solutions for palm oil and palm products by 2030. In 2015, started investigating materials used in its products that are contain palm oil or palm oil products. In 2016, GSK and the Rainforest Alliance co-developed a sourcing standard for palm oil materials. GSK set its targets for sustainable palm oil sourcing which includes book & claims as an option. Since then, GSK engages with suppliers of palm oil, palm oil derivatives and palm kernel to understand if they have responsible sourcing standards in place. In 2017, GSK joined the RSPO and in 2018 started purchasing book & claims credits. In 2019, we contracted 4% mass balance physically certified glycerine and 100% segregated palm oil. This year, we are working internally to increase our maturity level and moving towards a higher percentage of physical certified material for glycerine. If we are not able to meet our 100% sustainable solutions targets via physically certified materials due the inability of finding enough physically certified material to cover our volumes for example, we will use certificates to cover the gap between physically certified materials and our total purchases.

3.4.2 Which markets do these commitments cover?

Applies globally

3.5 Does your company use RSPO-certified sustainable palm oil and oil palm products in goods you manufacture on behalf of other companies?

No

3.6 Does your company have a Time-Bound Plan to only use RSPO-certified sustainable palm oil and oil palm products in the goods you manufacture on behalf of other companies?

No

3.7 When do you expect all products you manufacture to only contain RSPO-certified sustainable palm oil and oil palm products?

2030

4. Trademark Use

4.1 Do you use or plan to use the RSPO Trademark on your own brand products?

No

4.2 Please select the countries where you use or intend to apply the Trademark.

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4.2.1 Please state the year that you started using the RSPO Trademark or the year you plan to start using the RSPO Trademark.

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4.3 Please explain why

- Challenging reputation of palm oil
 - Confusion among end-consumers
 - Costs of changing labels
 - Difficulty of applying for RSPO Trademark
 - Lack of customer demand
 - Limited label space
 - Low consumer awareness
 - Low usage of palm oil
 - Risk of supply disruption
 - Others
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Other:

4.4 Have you uploaded information and images of products using the RSPO Trademark to the RSPO mobile app?

5. Actions for Next Reporting Period

5.1 Outline actions that you will take in the coming year to promote the use of RSPO-certified sustainable palm oil and oil palm products along the supply chain.

As a purchaser of certain key commodities, such as palm oil originated materials GSK acknowledges our business may contribute to deforestation. We are, however, committed to taking steps to ensure that we are sourcing these commodities in a responsible way. For 2019, GSK has already contracted 4% certified MB glycerine and 100% segregated palm oil. The aim is to continue to improve our maturity in this space. Initially, by reviewing the opportunities to increase the proportion of purchasing palm oil derivatives as mass balance. This year, we will be audited in order to gain supply chain of custody certification for sites using palm. We will continue to engage with suppliers to understand their maturity in this space

6. Non-Disclosure of Information

6.1 Information in the sections above are mandatory declarations in your ACOP. For confidentiality purposes, members may choose not to display volume data in Section 2 publicly; however, RSPO reserves the right to utilise the member's data on an aggregate basis for sectoral and total analysis. Please check this box if the member chooses to have the data in Section 2 displayed publicly.

No - Redact volume data

7. Application of Principles & Criteria for all member sectors

7.1 Related to company's procurement or operations, do you have organisational policies that are in line with the RSPO P&C? Select all relevant options.

7.1.A Water, land, energy and carbon footprints

File: --

Link: <https://www.gsk.com/media/2977/gsk-and-water-stewardship.pdf>

7.1.B Land use rights

File: --

Link: <https://www.gsk.com/media/2956/public-position-on-ozone-depletion-and-ancillary-plant-equipment-policy.pdf>

7.1.C Ethical conduct and human rights

File: --

Link: <https://www.gsk.com/media/4503/human-rights-statement-policy.pdf>

7.1.D Labour rights

File: --

Link: <https://www.gsk.com/media/5328/modern-slavery-act-statement-2018.pdf>

7.1.E Stakeholder engagement

File: --

Link: <https://www.gsk.com/media/5349/annual-report-2018.pdf>

7.1.F None of the above. Please explain why.

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7.2 What best practice guidelines or information has your organisation provided in the past year to facilitate the uptake of RSPO-certified sustainable palm oil and oil palm products? What languages are these guidelines available in?

As a purchaser of certain key commodities, such as palm oil originated materials GSK acknowledges our business may contribute to deforestation. We are, however, committed to taking steps to ensure that we are sourcing these commodities in a responsible way. We regularly assess our supply chain against our internal sourcing standard, developed in conjunction with the Rainforest Alliance. To date, our analysis has found that the majority of our palm oil materials are sourced from suppliers with sustainable sourcing policies in place. For those that don't, we work with them to ensure that they develop improvement plans. If the supplier does not show satisfactory progress, we may take additional action such as finding an alternative supplier. GSK is committed to working with others in finding deforestation-free solutions. We collaborate with other stakeholders on deforestation and related topics and seek out other opportunities to contribute to industry activities that focus on improving sustainable sourcing for the healthcare industry.

GSK participates in industry groups such as the Consumer Goods Forum, UN Global Compact and reporting tools such as CDP. We also consult with civil society on our deforestation-free and responsible sourcing strategy and implementation process. Meeting our deforestation commitments also requires close engagement and collaboration with our suppliers and Contract Manufacturers.

Our Deforestation-Free Policy is available only in English: <https://www.gsk.com/media/2978/gsk-public-policy-on-deforestation.pdf>

8. Greenhouse Gas (GHG) Footprint

8.1 Are you currently reporting any GHG footprint?

Yes

8.1.1 Please upload your publicly available GHG report

File: --

8.1.1.1 OR please insert the URL to the GHG section of your corporate website.

Link: <https://www.gsk.com/en-gb/responsibility/environment/carbon/>

8.2 Please explain and justify why you are not calculating your GHG footprint. Please include any future plans you may have to calculate your GHG footprint.

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8.3 What methodology are you using to calculate your GHG footprint?

We use a Life Cycle Assessment tool based on the guidance in the GHG Protocol Standard.

9. Support for Oil Palm Smallholders

9.1 Are you currently supporting any oil palm Independent Smallholder groups?

Yes

9.2 How are you supporting them?

We bought our palm kernel oil credits through book and claims from smallholders.

9.2.1 Do you have any future plans to support oil palm Independent Smallholders?

9.2.2 When do you plan to start your support for oil palm Independent Smallholders?

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10. Challenges

10.1 What significant economic, social or environmental obstacles have you encountered in the production, procurement, use and/or promotion of CSPO and what efforts did you make to mitigate or resolve them?

- Awareness of RSPO in the market
- Difficulties in the certification process
- Certification of smallholders
- Competition with non-RSPO members
- High costs in achieving or adhering to certification
- Human rights issues
- Insufficient demand for RSPO-certified palm oil
- Low usage of palm oil
- Reputation of palm oil in the market
- Reputation of RSPO in the market
- Supply issues
- Traceability issues
- Others

Other:

We have three global businesses that discover, develop and manufacture innovative pharmaceutical medicines: vaccines and consumer healthcare products. The portfolio of our products are not only vast but also diverse. This means that our business and our supply chain are complex. Additionally, during our product manufacturing we dose our products making traceability of palm oil within products very complicated. Our glycerince (palm oil derivative) volume usage is much higher than palm oil which makes this a material topic for us. Moving to physically certified materials is challenging due to cost implications but also availability of the material. Segregated glycerine is specifically challenging.

We will continue raise awareness internally and working in partnership with our suppliers, the Rainforest Alliance, as well as industry collaboration including the Consumer Goods Forum and RSPO.

10.2 In addition to the actions already reported in this ACOP, how has your organisation supported the vision of RSPO to transform the market for sustainable palm oil in other ways?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues eg trade workshops industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- Others

Other:

As of May 2017, we became members of the Roundtable on Sustainable Palm Oil (RSPO). We have also engaged with our key suppliers to promote the sourcing of sustainable palm oil, palm kernel oil and derivatives. We have developed supplier selection criteria, as well as sourcing standards in conjunction with the Rainforest Alliance.

<https://www.gsk.com/media/2978/gsk-public-policy-on-deforestation.pdf>

10.3 Please attach or add links to any other information from your organisation on your palm oil policies and activities (e.g.: sustainability reports, policies, other public information)

Product Stewardship GSK.com site: <https://www.gsk.com/en-gb/responsibility/environment/environmental-stewardship/>

Annual report (page 33): <https://www.gsk.com/media/5349/annual-report-2018.pdf>

GSK's SDG's approach includes palm oil:

<https://www.gsk.com/media/5326/our-contribution-to-the-sdgs.pdf>
