

Particulars

About Your Organisation

1.1 Name of your organisation

GlaxoSmithKline Consumer Healthcare Holdings Limited

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

- Palm Oil Grower
- Processor and/or Trader
- Consumer Goods Manufacturer
- Retailer
- Bank and/or Investor
- Social and/or Development NGO
- Environmental and/or Conservation NGO
- Affiliate

1.3 Membership number

4-0892-17-000-00

1.4 Membership category

Consumer Goods Manufacturers

1.5 Membership sector

Ordinary

Consumer Goods Manufacturers

1. Operational Profile

1.1 Please state your company's main activity within the palm oil supply chain.

- Food Good Manufacturer - own brand
- Food Good Manufacturer - third-party brand
- Home & Personal Care Good Manufacturer - own brand
- Home & Personal Care Good Manufacturer - third-party brand
- Ingredient Manufacturers
- Biofuels
- Other

Other

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2. Palm Oil and Certified Sustainable Palm Oil Consumption

Information in Section 2 - Palm Oil and Certified Sustainable Palm Oil Consumption - is a mandatory declaration in your ACOP. This includes volume data on palm oil and palm oil products consumed, to enable the RSPO to accurately calculate uptake on a member, sector and total level. ACOP reports without reported volume data will be considered incomplete and will not be accepted.

2.1 Please list down all operations and subsidiaries using palm oil that are owned and/or managed by the member, including those under Group Membership

GSK Consumer Healthcare is one of the leading companies that manufactures consumer goods products. GSK CH uses approximately 25,000 tonnes of palm oil derivatives used in a variety of products. Of this, 80% is glycerine, with the remainder being oleochemicals. Glycerine is used, to create effective product formula. As a result, we can offer our customers products such as oral health care, skin care products or pain relief gels. GSK CH also uses very small amount of palm kernel oil for one of our OTC product.

2.1.1 In which markets does your company sell goods with palm oil and oil palm products?

Applies globally

2.2.5 Total volume of all palm oil and palm oil products (palm-content only) used in your company's own-brand products and in products produced by your company for third-party brands in the year:

Description	Tonnes
Total volume of crude/refined palm oil (tonnes)	0.0
Total volume of crude/refined palm kernel oil (tonnes)	1.6
Total volume of palm kernel expeller (tonnes)	0.0
Total volume of palm oil/palm kernel oil derivatives and fractions (tonnes)	25331.32
Total	25332.92

2.2.6 Please estimate the percentage of derivatives and fractions (reported in Question CG.2.2.4) derived from palm oil or from palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based derivatives.

Description	Percentage
Palm oil-based derivatives and fractions	99.0
Palm kernel oil-based derivatives and fractions	1.0

2.3 Volume of RSPO-certified palm oil and palm oil products used in your company's own brand products and in products produced by your company for third-party brands in the year (tonnes):

Description	Crude/Refined Palm Oil (CSPO)	Crude/Refined Palm Kernel Oil (CSPKO)	Palm Kernel Expeller (CSPKE)	Certified Derivatives and Fractions
RSPO Credits from Mill / Crusher	0.0	0.0	0.0	9500.0
RSPO Credits from Independent Smallholder	0.0	1.0	0.0	0.0
Mass Balance (MB)	0.0	0.0	0.0	359.0
Segregated (SG)	0.0	0.0	0.0	0.0
Identity Preserved (IP)	0.0	0.0	0.0	0.0
Total	0.0	1.0	0.0	9859.0

2.3.1 Please estimate the percentage of RSPO-certified derivatives and fractions (reported in Question CG.2.3) derived from RSPO-certified palm oil or from RSPO-certified palm kernel oil. The default split for volumes is assumed to be 80% palm oil-based derivatives and 20% palm kernel oil-based derivatives.

Description	Percentage
Certified Palm oil-based derivatives and fractions	99.0
Certified Palm kernel oil-based derivatives and fractions	1.0

2.4 According to the volume information you have provided in Question 2.2 and Question 2.3, your company's certified palm oil and palm oil products uptake is:

38.92%

2.4.1 If your company has not reached 100% usage of sustainable palm oil through the four supply chain models (RSPO Credits, MB, SG or IP), do you have any plans to cover the gap using RSPO Credits?

Yes

2.5 Please estimate the regional distribution of your company's RSPO certified palm oil and palm oil-products usage (as declared in Question CG.2.3) in the following countries/regions:

Countries/Regions	Percentage
Europe	92.0
North America	0.0
Malaysia	0.0
Indonesia	0.0
China	1.0
India	0.0
Latin America	0.0
Africa	0.0
Rest of World	7.0

3. TimeBound Plan

3.1 Which year did your company achieve (or expects to achieve) the RSPO supply chain certification?

2020

3.2 Which year did your company begin (or expects to begin) using RSPO-certified sustainable palm oil and palm oil products in own-brand products

2019

3.2.1 If the previous target year for CG.3.2 has not been met, please explain why.

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3.3 Which year did your company begin (or expects to begin) using 100% RSPO-certified sustainable palm oil and palm oil products from any supply chain option in own-brand products.

2025

3.3.1 If the previous target year for CG.3.3 has not been met, please explain why.

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3.4 Which year did your company begin (or expects to begin) using 100% RSPO-certified sustainable palm oil and palm oil products from physical supply chain options (Identity Preserved, Segregated and/or Mass Balance) in own-brand products.

2030

3.4.1 If the previous target year for CG.3.4 has not been met, please explain why.

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3.5 If the TimeBound Plan commitments declared above do not cover all countries in which the member operates, please explain why

applies globally

4. Trademark Use

4.1 Does your company use or plan to use the RSPO Trademark in own-brand products?

No

4.3 Please explain why your company does not plan to use the RSPO Trademark in own-brand products

- 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

Others

Low contribution of Palm Oil Derivatives in product formulation.

5. Actions for Next Reporting Period

5.1 Please outline activities that your company will take in the coming year to promote the production or consumption of certified sustainable palm oil (CSPO)

We are committed to taking steps to ensure that we are sourcing palm oil commodity in a responsible way and promoting the production and consumption of certified sustainable palm oil. In 2019, GSK started sourcing certified Mass Balance (MB) glycerine as well as continued sourcing Book & Claim credits, to cover glycerine volumes for UK Maidenhead, Levice (Slovakia) and Oak Hill (US). For 2020, we plan to buy 50% MB certified glycerine for these 3 sites. We aim to continue to improve our maturity in this space: initially, by reviewing the opportunities to increase the proportion of purchasing glycerine as MB certified, to then refocus our actions on the remaining palm oil derivatives that contribute to the remaining 20% of total volumes. We are aware of environmental and social challenges related to palm oil but also challenges with regards to availability of sustainable derivatives of palm and palm kernel oil. In 2019 in view of the fact, that our products formulas include palm oil derivatives, GSK became a member of Action for Sustainable Derivatives (ASD). Our aim is to accelerate positive changes in palm oil derivatives market. Together with ASD and its members, GSK's aim is to eliminate deforestation and successfully reach our NDPE target. Through this initiative we want to help make sustainable palm oil derivatives the norm and support our own supply chain in achieving transparency in accelerated and effective manner. In 2020, we plan to introduce The Sustainable Palm Index, an evaluation scorecard for suppliers of palm oil and palm kernel oil derivatives, implemented to support procurement decisions. Through an in-depth third-party evaluation, suppliers will be assessed on their progress regarding commitments, processes, and achievements in terms of supply chain knowledge, sustainable sourcing practices, and compliance with No Deforestation, No Peat, No Exploitation principles. This year, we are arranging RSPO supply chain certification for the 3 key sites using glycerine. We will continue to engage with suppliers to understand their maturity in this space. We will continue raise awareness internally and work in partnership with our suppliers, as well as the industry.

6. Shared Responsibility

The Board of Governors of the Roundtable on Sustainable Palm Oil (RSPO) approved new Shared Responsibility rules on 31 October 2019, requiring all members to share sustainability requirements and obligations. Reporting of Shared Responsibility indicators will be done through several channels, including ACOP. As the implementation of Shared Responsibility reporting is still on-going and in development, the Shared Responsibility section in ACOP is not yet final and may change in future ACOP cycles. For more information on Shared Responsibility, please go to <https://rspo.org/news-and-events/news/what-are-the-new-shared-responsibility-rules> or email the ACOP team at acop@rspo.org

Labour & Labour Rights

6.1 Does your company have a publicly-available policy covering Labour & Labour Rights?

Yes

6.1.1 Does the policy cover:

- No discrimination
- Wage and working conditions
- Freedom of association
- No child labour
- No harassment
- No forced or trafficked labour

6.1.2 Has your company previously uploaded or linked its Labour & Labour Rights policy in previous ACOP reporting cycles?

Yes

Ethical Conduct & Human Rights

6.2 Does your company have a publicly-available Policy covering Ethical Conduct & Human Rights?

Yes

6.2.1 Does the policy cover:

- Recruitment
- Contractors
- Sub-Contractors & Third-Party Contractors

6.2.2 Has your company previously uploaded or linked its Ethical Conduct & Human Rights policy in previous ACOP reporting cycles?

Yes

Land Use

6.3 Does your company have a publicly-available Policy covering Land Use?

Yes

6.3.1 Does the policy cover:

- Free Prior and Informed Consent (FPIC)
- Compensation

6.3.2 Has your company previously uploaded or linked its Land Use policy in previous ACOP reporting cycles?

Yes

Occupational Health & Safety**6.4 Does your company have a publicly-available Policy covering Occupational Health & Safety?**

Yes

6.4.1 Has your company previously uploaded or linked its Occupational Health & Safety policy in previous ACOP reporting cycles?

Yes

Climate Change & Greenhouse Gas (GHG)**6.5 Does your company have a publicly-available policy covering Climate Change & Greenhouse Gas (GHG)?**

Yes

6.5.1 Does the policy cover:

- Identification and assessment of GHG
- Public reporting of GHG footprint
- Monitored implementation plan to reduce or minimise GHG emissions

6.5.2 Has your company previously uploaded or linked its Climate Change & Greenhouse Gas policy or report in previous ACOP reporting cycles?

Yes

Complaints & Grievances**6.6 Does your company have a Complaints & Grievances Mechanism?**

Yes

6.6.1 Is your Complaints & Grievances mechanism in line with the RSPO's grievance mechanism? For details of the RSPO's grievance mechanism, please go to <https://askrspo.force.com/Complaint/s/>

Yes

Smallholders**6.7 Does your company support oil palm independent smallholder groups?**

No

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

Yes

7. Challenges

7.1 What significant obstacles or challenges has your company encountered in the promotion of certified sustainable palm oil (CSPO)? What efforts has your company taken to address these obstacles or challenges?

- 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
- No challenges faced
- Others

Others

Difficulties in SCCS certification process due to Covid -19 Difficulty of being able to source RSPO CSPO derivatives

7.2 In addition to the actions already reported in this ACOP report, what other ways has your company supported the vision of the RSPO to transform markets to make sustainable palm oil the norm?

- Engagement with business partners or consumers on the use of CSPO
- Engagement with government agencies
- Promotion of CSPO outside of RSPO venues such as trade workshops or industry associations
- Promotion of physical CSPO
- Providing funding or support for CSPO development efforts
- Research & Development support
- Stakeholder engagement
- No actions taken
- Others

Others

Additionally to the actions described in point 5.1, GSK CH 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.

7.3 If your company has any other publicly-available reports or information regarding its palm oil-related policies and activities, please provide the links here

Environmental stewardship: <https://www.gsk.com/en-gb/responsibility/environment/environmental-stewardship/> Annual Report: <https://www.gsk.com/media/5892/strategic-report-2019.pdf> Deforestation-Free Sourcing: <https://www.gsk.com/media/2978/gsk-public-policy-on-deforestation.pdf> Human Rights policy: <https://www.gsk.com/media/4503/human-rights-statement-policy.pdf> GSK Modern Slavery Act Statement 2019: <https://www.gsk.com/media/5887/modern-slavery-act-statement-2019.pdf> Global Ethics and Compliance: <https://www.gsk.com/en-gb/about-us/governance/global-compliance/#tab-9911>