

Our approach

Health for all

Our behaviour

Our people

Our planet

Governance and engagement

Our people

Our people are essential to our success. We focus on building their individual capabilities and aim to support and empower them to be the best they can be.



Global Reporting Initiative Performance Indicators in this section:

Provide a workplace that offers diversity and equal opportunity
Material Aspect: Diversity and Equal Opportunity
Disclosure G4-LA12

Ensure a safe working environment for employees
Material Aspect: Occupational Health and Safety
Disclosure G4-LA6

Develop and empower employees
Material Aspect: Training and Education
Disclosure G4-LA11

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Advancing a culture of excellence

We invest in developing a culture of excellence in everything we do at GSK Romania

The priority for the Human Resources team is to understand how to best support the business agenda and help address the challenges that managers face every day.

In order to provide the best support to our colleagues, we continue to develop the skills and capabilities of our Human Resources team. During the last year, more than half of the HR team changed roles, taking on different or additional responsibilities and gaining new opportunities to have a positive impact on the ongoing achievements of the organisation. Once in place, the team focused on identifying the priorities and needs, and engaged with managers across the organisation in meetings, workshops, field visits and weekly teleconferences to discuss performance and team capabilities.

Our employees once again took part in the global HR Services survey to measure the quality of service provided by Human Resources departments to our colleagues across the business. For the third consecutive year, our GSK Romania HR team achieved the highest score among all GSK companies around the world.

✓ The highest rate of satisfaction

In the global GSK 2013 HR Services Survey, employees were asked to rate their overall satisfaction with the quality of support they receive from the HR department. The average score of 481 respondents in Romania was 4.44 (out of 5) – the highest score of any GSK country unit.

Operational Excellence at Europharm Distribution

We continue to maintain our Operational Excellence focus in our Europharm Distribution operations and engage our employees in developing new ideas to help us become more efficient. In 2013, we trained a further 34 employees in process mapping to assist in the development of structured reviews of existing processes and identification of opportunities for improvement. During 2013, 20 employee suggestions to improve our operational excellence were implemented and a further 17 are in progress.

“In some cases, ideas may only involve minor changes, but the greater significance is the development of a culture of continuous improvement. The frequency of the submission of ideas demonstrates that Europharm employees are always seeking better ways of doing business and serving our customers.”

Ionuț Bârligă
Operational Excellence Manager, Europharm Distribution



Improved system for delivery authorisations

Two of our team members developed an idea to improve our service to customers. In our highly regulated pharma industry, we are able to deliver only to customers that have valid permits for specific products. Our online ordering system automatically blocks deliveries when permits have expired without prior warning, and this meant we could not deliver our customers' orders. With a simple change to the system, we have been able to start advising customers of renewal requirements 30 days in advance, thereby avoiding service disruption and saving significant time on the part of our pharmacist at Europharm who would often intervene to speed up the emergency renewal of expired permits.

Talent and leadership development

Our employees are engaged in our mission to help people do more, feel better and live longer in Romania.

At the end of 2013, we continued to be a significant employer in Romania, counting 975 full time employees, a slight reduction versus our 2013 headcount of 1,022. We continue to attract and retain the most talented people by investing in training and development which is tailored to individual needs and builds on employee strengths. In 2013, we placed emphasis on talent and leadership development to ensure that we have the best skills available to lead GSK Romania, and greater mobility of managers between our different corporate entities in order to ensure broader opportunities for individuals and succession planning for key roles.

Our development programs for employees include development at the work place (70%), development relationships such as coaching, mentoring, work shadowing, networking and peer learning (20%), as well as formal programs such as training, workshops, e-learning and individual reading (10%).

Developing our people

In 2013, we held our first General Manager Exchange Meeting as part of the process of developing key talent. 20 high potential participants from our four business entities in Romania were invited attend a meeting where our four local General Managers shared their vision and insights about our business, trends and developments. Following this, participants engaged in a two day workshop to develop their leadership and strategy skills, with all four General Managers remaining throughout the entire programme to get to know the participants better, observe and evaluate different contributions. Part of the programme involved engaging with external organisations such as



Save the Children Romania and creating business plan proposals.

Following the session, individuals received personal feedback from our General Managers to assist them in advancing their professional development plans.

Investing in first line leaders

The transformation and future success of GSK is closely linked to the confidence, capability and capacity of all our leaders. The First Line Leader (FLL) programme is being delivered globally to all GSK business units and provides first line leaders with access to leadership development through a six month learning journey that includes classroom and online learning, manager support and activity based learning. Skills covered include how to identify personality styles, delegate work,

coach effectively and motivate a team to success. Each participant is able to tailor their development plan to reflect both their individual and business needs. For the first time in Romania in 2013, we rolled out the FLL programme to 70 people managers from our Romanian operations.

Recruiting and developing young talent

In 2013, we also continued our traineeship programme in all our business entities. 15 students were hired as trainees for programs of six or twelve months, in different departments to learn various parts of the business.

Trainees who were hired in 2012 and have completed a full year in GSK Romania starting in January 2013 have now taken up challenging positions in different divisions and functions:

GSK Romania entity	No. of trainees	Current roles
Pharma	4	Medical Rep. (3) Internal Auditor (1)
Consumer Healthcare	3	Demand forecast analyst Quality specialist Marketing assistant
Europharm Distribution	2	Sales representative Sales administration
Manufacturing	3	Quality processes Accounting



“First Line Leader – FLL - is an important investment in our ability to maintain a successful business and make a valuable contribution in Romania. Developing management capabilities at an early stage in a manager’s career is critical to building consistent achievement over time and helping managers deliver overall positive performance.”

Eliza Pirăianu,
HR Services Manager, GSK Romania

Performance, reward and recognition

For GSK, how people achieve results is just as important as what they achieve. Incentivising behaviour that is consistent with our values is a priority in the way we evaluate, recognise and reward performance.

Introducing a new performance management system
In 2013, in line with a global GSK initiative, we introduced the new GSK global performance management system to ensure our employees understand what is expected of them and to help them set clear objectives to deliver our strategy. This creates a clear link between our values and how our employees are rewarded. As part of this system, we introduced a new rating scale to enable clearer feedback on employee performance and help to differentiate our best performers.

The performance system includes a new global bonus structure where 60% of an employee bonus payment is aligned to the achievement of individual objectives, and 40% is based on business area results. This greater emphasis on individual performance helps employees understand how they personally contribute to the delivery of our strategy in line with our values, and how this links to their reward.

In Romania, we conducted several workshops for our managers to help them understand the principles of the new

performance system and how to put these into practice. In particular, managers needed intensive coaching in the application of the performance rating system, in order to differentiate performance effectively, so that we drive performance improvement in accordance with individual needs. In addition, our Human Resources team spent many hours coaching managers so that they can make a stronger contribution to overall performance management using our new global system. After completion of all management training, we held a special workshop for all employees dedicated to explaining the new performance system as part of our year-end meetings.

year with an objective of increasing the capabilities of people managers. Using this first analysis from early 2013, we reverted to most of the managers in GSK Romania with specific feedback about the quality of their PDPs and coached them in ways to improve performance discussions with their employees.

Four key elements of our new performance management system

- 1. Leadership Expectations:**
The new Leadership Expectations clarify what we expect from all our leaders.
- 2. Managing Performance Proactively:**
Everyone is expected to discuss and agree annual ASmart (aligned, specific, measurable, actionable, realistic, time-bound) objectives aligned to the delivery of our strategy and values.
- 3. Performance Rating Scale:**
Our new five point performance rating scale helps to differentiate our best performers and provide clear feedback about performance.
- 4. Bonus Plan:**
60% of bonus is awarded for achievement of personal objectives. 40% is awarded on the results of business area.



Improving the quality of Performance Development Planning
During 2013, we undertook a new initiative to proactively assess and improve the quality of our performance objectives setting process and development conversations between managers and their direct reports. We conducted a quality audit of all the Performance Development Plans (PDPs) and rated the way performance objectives were set in each case respecting the ASmart (Aligned, Specific, Measurable, Actionable, Realistic, Time-Bound) principles. This required intensive reviews by our Human Resources team, working through hundreds of PDP documents, delivering an analysis which was presented to our executive management. Using 2013 as a baseline year, we will continue to analyze PDPs each

“This engagement was not only valuable as a contribution to improving overall performance management, but also as way of building trust, developing capabilities and teamwork across the organisation while ensuring the Human Resources team’s understanding of the challenges and detailed business objectives within each division.”

Cristina Mănescu
HR Business Leader, Europharm Distribution

Equal opportunity and gender diversity

We want all of our people to feel valued, thrive as individuals and as part of the GSK community, whatever their background. We aim to create an inclusive workplace to attract and retain the most talented people from all backgrounds and cultures.

Women in our workforce

We continue to maintain a strong presence of women in our overall workforce (63%) and an equal level of representation of women in management. As we reported last year, this is significantly higher than management rates for women in the world, and in Romania at 34% (Mercer, 2010). By comparison, the global average of women in all levels of management reported by GSK at a global level in 2013 is 41%. The women of GSK Romania perform a range of business roles – commercial, legal, financial, operational and human resources. Three of our four General Managers in Romania are women.



Less than one year after being appointed as General Manager, Consumer Healthcare, Romania and Adriatics, Helen Tomlinson was recognised as an important business figure by one of the top magazines in Romania. Helen was listed in the “Top 100 Young Managers” list, in the top Romanian business publication, Business Magazine. This is the third edition of the list, which recognises young managers and entrepreneurs working in Romania who demonstrate a proven track record and make a positive impact on the Romanian economy.

Mentoring opportunities for women

In 2013, we joined leading companies in Romania in an initiative led by Oracle to advance the capabilities of women leaders and create a strong network. The programme, “Women Leadership - Companies Cross Mentoring Programme” is a pilot that is running for six months, and provides an opportunity for women managers to be mentored by senior women leaders in peer companies. In GSK Romania, 2 women managers are participating as mentees, and our Pharma General Manager, Barbara Cygler, participates as a mentor to a female manager from another company. We see this programme as a welcome opportunity to further strengthen our women leaders and also gain insight into best practices in other companies, as well as share our own practices and values.



“The women mentoring programme is a fantastic initiative and we are pleased to play a role. We were also involved in the design phase of this initiative, helping to determine objectives and criteria for matching mentors and mentees. I believe that it is very important to provide women with support, role models and performance aspirations that they can use as a benchmark. In many industry sectors, women do not reach senior management levels, and we hope that this programme, and our contribution, can help open up more opportunities for women’s advancement in Romania.”

Luana Crivăţ
HR Director, GSK Romania

An innovative approach to employee benefits

At GSK Romania, we create equal opportunity through a structured compensation programme which rewards performance and potential with competitive benefits packages within the local market. A key feature of our compensation policy enables employees to tailor their benefits package to meet their individual diverse needs through our Flexible Benefits Plan. The Benefits Plan includes two types of benefits: Fixed Benefits and Flexible Benefits.

The Fixed Benefits Plan includes standard medical care packages funded by GSK, life insurance and free vaccines in a prevention programme developed for GSK employees. The Flexible Benefits Plan allows employees to use the allocated funds to access upgraded medical care packages, educational services and sports related activities in order to maintain the state of well-being for both themselves and their families. With this plan, employees can select the benefits which are of most relevance to them and their personal family circumstances.

In 2013, we added additional options to the Flexible Benefits Plan, including dental services and specific holiday expenses.

Supporting employees in times of change

As always, we treat employees fairly and provide appropriate support to meet individual needs in times of change.

In 2013, we announced our decision to cease operating our oral solid dose manufacturing site in Brasov due to manufacturing overcapacity in the current GSK network.

Since this initial announcement, we have been diligently exploring opportunities to sell the Brasov site to a third party buyer. Unfortunately, GSK was unable to come to agreement with any of the interested parties on a viable solution that would have secured employment for as many of Brasov's 236 employees as possible, while also making business sense for GSK. Therefore, we will regrettably progress the closure of the Brasov site and anticipate completion by the end of 2015.

We sincerely regret the impact of this decision in terms of job losses. Our management team in Brasov and our entire leadership and Human Resources professionals in Bucharest are doing all we can to help staff through this transition.

As always, we will treat employees fairly, with respect and dignity, and provide the appropriate support to meet individual circumstances and needs. This includes providing severance packages, outplacement support, counselling, retraining where possible, connections to other potential employers and other forms of assistance where needed.



"The review of potential options for the Brasov site has been a long process but it was critical to consider all the different factors in order to make a considered and well-informed decision. Employees at the Brasov site have made a significant contribution to the success of GSK in Romania over many years. This closure is absolutely no reflection on the staff at the Brasov site or their performance. I take great pride in the maturity of our factory employees and their

steadfastness in continuing to maintain the highest efficiency, quality and safety standards as we support the business until the site closure. Their commitment has not wavered despite uncertainty about their future. We continue to invest in training and development, both to ensure we continue to meet our short-term objectives until closure and also to provide employees with additional knowledge and skills as they seek alternative employment. We have increased the frequency of internal communications to ensure

that everyone has the chance to know the status of the programme and can ask questions. I personally take breakfast every Monday morning in the factory dining room and am available to talk with employees from all levels in the organisation and answer their questions. I am confident that we are providing the best assistance possible to all employees through this transition."

Mariana Cismaru
Brasov Site Director

Health, safety and well-being

As a progressive healthcare company, helping our employees stay healthy, resilient and productive is a priority and brings our mission to life for our people.

We wish to help employees enhance their own health and well-being so that they can also do more, feel better and live longer.

Access to healthcare for employees

We continue to promote our Partnership for Prevention (P4P) programme which we launched last year for our employees in Romania. With this programme, our focus is on raising our employees' awareness of preventive health care for themselves and their families while facilitating access to critical services to help them proactively manage their own healthcare, and ensure early detection of possible diseases and health conditions. P4P offers a range of up to forty preventive healthcare services at little or no cost to employees, tailored to meet employee preferences and individual needs, ranging from a complete vaccine programme for children through free breast cancer screening in the office for female employees to screening for early detection of various cancer types. After one year of running the programme, uptake has reached an average of two employees or their families using P4P services every day. For some women who took advantage of the breast-cancer screening opportunity, it was the very first time they had undertaken such an examination.

Safety in the workplace

We maintain a safe workplace with a goal of zero harm to any employee. We conduct regular safety assessments at our different sites and ensure safety risks are identified and appropriately addressed. All newly-hired employees undergo occupational



health and safety training and are required to pass a test, ensuring they have understood. Training refreshers for all employees are conducted every half year. Ergonomic assessments have been conducted at most of our workstations and other health and safety audits are conducted at regular intervals. Professional drivers in our Europharm Distribution operations and other staff that travel around the country in sales and marketing roles undergo training in safe driving practices.

We maintain a positive performance with regard to work injuries, and in 2013, we recorded just 5 minor injuries (3 while driving) across our entire operations throughout the year.

We commend our employees for this positive result and continue to encourage uncompromising attention to safety in all work situations.

P4P - Services available to employees

- Adult Immunisations – Many adults are behind on their immunisations, and P4P helps keep employees on track to prevent risk of sickness.
- Cancer screenings – Early cancer detection is proven to save lives.
- HIV screenings – Enables doctors to detect and possibly treat this life-threatening virus.
- Childhood Immunisations – Immunisations for children prevent at least a dozen different diseases.
- Routine Physical Exam – Regular check-ups identify health issues early and allow preventive treatment.
- Women's Health – Screenings for breast and cervical cancer for early detection and treatment if required.
- Diabetes Screening
- Cholesterol Screening
- Hypertension Screening
- Smoking Cessation
- Physical Activity

