



GlaxoSmithKline

Ms Hazel O'Sullivan
Project Director
The Auditing Practices Board Limited
5th Floor
Aldwych House
71-91 Aldwych
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18th January 2010

Dear Ms O'Sullivan,

GlaxoSmithKline plc
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**CONSULTATION ON AUDIT FIRMS PROVIDING
NON-AUDIT SERVICES TO THE LISTED COMPANIES THAT THEY AUDIT**

I am writing to you in response to the APB's consultation paper on the issue of audit firms providing non-audit services to the listed companies that they audit. My views reflect my position as a member of the Board and chair of the Audit & Risk Committee of GlaxoSmithKline plc.

The members of the Treasury Select Committee indicate in their report of May 2009 on the banking crisis that they "*remain concerned about the issue of auditor independence*" and "*strongly believe that investor confidence, and trust in audit would be enhanced by a prohibition on audit firms conducting non-audit work for the same company*". I am of the opinion that there is no reason for their concern with respect to the issue of independence and am against a blanket prohibition on audit firms conducting non-audit work for the same company.

I believe that the principles established in the UK Ethical Standards are sufficient and that there is no need for change. The role of the Committee in monitoring the application of these principles is key and I believe that the Committee is eminently capable of exercising this role. The ongoing dialogue between the Committee, management and the auditors allows for an effective mechanism to assess independence risks.

Within GSK we have I consider established appropriate safeguards. I firmly believe that the Audit & Risk Committee exercises a very high level of scrutiny over the use of the Company's auditors to provide other services.

The perception by certain commentators/investors that the independence of auditors may be impaired when they provide certain non-audit related services is, in my opinion, largely due to a lack of understanding. This lack of understanding relates both to the nature of the services provided by the auditors and also to the way those services are assessed and approved by the Committee. This could be remedied by enhanced disclosure in the annual report of both the nature and extent of the services provided as well as details of the processes the Committee applies to approve any non-audit services.

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If so desired I would be happy to provide more information.

Yours sincerely,

Tom de Swaan
Audit & Risk Committee Chairman

A handwritten signature in blue ink that reads 'Tom de Swaan'. The signature is fluid and cursive, with a large loop at the end of the last name.