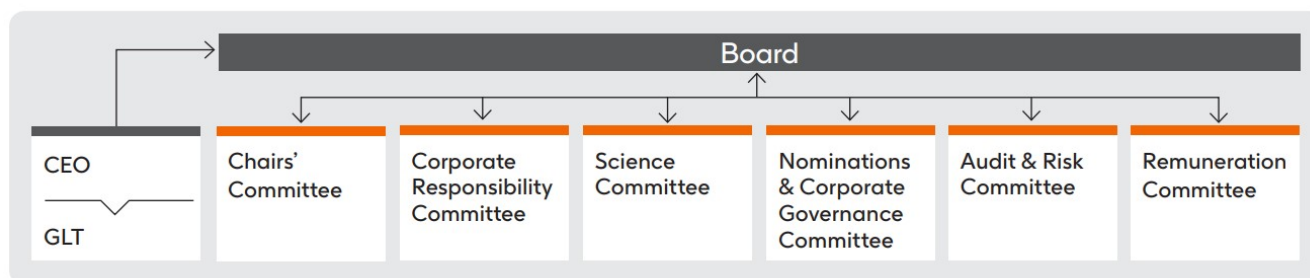


# Corporate governance architecture



Our corporate governance architecture is a framework designed to improve the Board's effectiveness and to support its oversight of the GSK Leadership Team (GLT) as it delivers the company's strategy. This framework continues to evolve to support our infrastructure and priorities as a pure biopharma business.

GSK's internal control and risk management arrangements are integral to our overall corporate governance framework and are described on pages 57 to 76 and pages 134 and 135.

To ensure the framework's optimal effectiveness, it has:

- a clear division of responsibilities for individual and collective Board roles, as described on page 117
- the appropriate distribution of workload to the Board committee with the requisite focus and skills
- highly committed Board Directors who are motivated to carry out their roles and responsibilities for the success of the company

## Committee roles

Committee	Role and focus	Membership	Committee report on page
<b>Chairs'</b>	Acts on behalf of the Board between its scheduled meetings to take decisions on urgent matters in accordance with matters and authority delegated to it by the Board from time to time	Sir Jonathan Symonds (company Chair) Senior Independent Director Chairs of the Board's committees	–
<b>Corporate Responsibility</b>	Considers GSK's Trust priority and has oversight of our responsible business approach and ESG strategy, performance and reporting. This reflects the most important issues for responsible and sustainable business growth. Has oversight of the views and interests of our internal and external stakeholders, and reviews issues that could have a serious impact on GSK's business and reputation	Dr Anne Beal (Chair) Dr Jesse Goodman Dr Vishal Sikka	128-129
<b>Science</b>	Supports the Board in its understanding of business development transactions and the key strategic themes in which the company's R&D strategy is based, by reviewing underlying scientific assumptions in detail and giving the Board technical assurance. Has in-depth oversight of R&D-related risks	Dr Hal Dietz (Chair) Dr Jesse Goodman Dr Hal Barron	129-130
<b>Nominations &amp; Corporate Governance</b>	Reviews the structure, size and composition of the Board, the appointment of members to Board committees and the appointment of corporate officers. Makes recommendations to the Board as appropriate. Plans and assesses orderly succession for Executive and Non-Executive Directors and reviews management's succession plan to ensure its adequacy  Is responsible for overseeing, monitoring and making recommendations to the Board on corporate governance arrangements. Reviews Board and GLT conflicts of interest	Sir Jonathan Symonds (Chair) Charles Bancroft Dr Anne Beal Urs Rohner	131-132
<b>Audit &amp; Risk</b>	Reviews the financial reporting process, the integrity of the company's financial statements, the external and internal audit process, the system of internal control, and the identification and management of risks such as Information and cyber security, and the company's process for monitoring compliance with laws, regulations and ethical codes of practice  Oversees ESG data reporting and assurance. Initiates audit tenders, the selection and appointment of the external auditor, setting the auditor's remuneration and overseeing its work	Charles Bancroft (Chair) Elizabeth McKee Anderson Wendy Becker Urs Rohner	133-138
<b>Remuneration</b>	Sets the company's Remuneration policy having regard to GSK's workforce remuneration so that GSK is able to recruit, retain and motivate its executives  Regularly reviews the Remuneration policy to make sure that it is consistent with the company's scale and scope of operations, supports the business strategy and growth plans, is aligned to the wider workforce and helps drive the creation of shareholder value  (The Chair and the CEO are responsible for evaluating and making recommendations to the Board about remuneration arrangements and policy for the Non-Executive Directors)	Urs Rohner (Chair) Wendy Becker (Chair Designate) Charles Bancroft Dr Anne Beal Elizabeth McKee Anderson	139-160

Each Board committee has written terms of reference that are approved by the Board and reviewed at least annually to make sure they comply with the latest legal and regulatory requirements and reflect best practice developments. Terms of reference of each Board committee are available at [gsk.com](https://www.gsk.com).

## Corporate governance architecture continued

### Leadership

#### Chair

##### **Jonathan Symonds**

- leads and manages the business of the Board
- provides direction and focus
- ensures a clear structure for the Board and its committees to operate effectively
- maintains a dialogue with shareholders about the governance of the company
- sets the Board agenda and ensures sufficient time is allocated to promote effective debate to support sound decision-making
- ensures the Board receives accurate, timely and clear information
- meets regularly with each Non-Executive Director to discuss individual contributions and performance, and training and development needs
- shares peer feedback that is provided as part of the Board evaluation process
- meets regularly with all the Non-Executive Directors independently of the Executive Directors

+ The Chair's role description is available at [gsk.com](https://gsk.com)

#### Chief Executive Officer

##### **Emma Walmsley**

- manages the Group and its business
- develops the Group's strategic direction for the Board's consideration and approval
- implements the agreed strategy
- is supported by the GLT
- maintains a continuous dialogue with shareholders in respect of the company's performance

+ The Chief Executive Officer's role description is available at [gsk.com](https://gsk.com)

### Independent oversight and rigorous challenge

#### Senior Independent Director

##### **Charles Bancroft**

- acts as a sounding board for the Chair and a trusted intermediary for other Directors
- together with the Non-Executive Directors, leads the annual review of the Chair's performance, taking into account the views of the Executive Directors
- discusses the results of the Chair's effectiveness review with the Chair
- leads the search and appointment process and makes the recommendation to the Board for a new Chair
- acts as an additional point of contact for shareholders. Maintains an understanding of their issues and concerns through meetings with shareholders and briefings from the Company Secretary and Investor Relations

+ GSK's Senior Independent Non-Executive Director's role description is available at [gsk.com](https://gsk.com)

#### Non-Executive Directors

- provide a strong independent element to the Board
- constructively support and challenge management and scrutinise its performance in achieving agreed deliverables
- shape proposals about strategy and offer specialist advice to management
- each has a letter of appointment setting out the terms and conditions of their directorship
- devote such time as is necessary to the proper performance of their duties
- are expected to attend all meetings as required

#### Independence statement

The Board considers all its Non-Executive Directors who are identified on pages 108 to 111 – except Dr Hal Barron – to be independent after being assessed against Provision 10 of the Financial Reporting Council's (FRC) UK Corporate Governance Code (Code)

+ GSK's Non-Executive Directors' role description is available at [gsk.com](https://gsk.com)

#### Company Secretary

##### **Victoria Whyte**

- is secretary to the Board and all Board committees
- supports the Board and Committee Chairs to plan future agendas and annual programmes
- ensures information is made available to Board members in a timely fashion
- supports the Chair to design and deliver Board inductions
- coordinates continuing business awareness and training for the Non-Executive Directors
- undertakes internal Board and committee evaluations at the Chair's request
- advises the Directors on Board practice and procedures and corporate governance matters
- chairs the Group's Disclosure Committee
- operates a Board-approved appointments policy that reflects the Board and external appointment requirements of the Code
- is a point of contact for shareholders on all corporate governance matters

## Corporate governance architecture continued

### 2023 Board and committee attendance

	Board	Chairs'	Corporate Responsibility	Science	Nominations & Corporate Governance	Audit & Risk	Remuneration
Total number of routine meetings	6	3	4	3	5	6	5
Current members	Attended	Attended	Attended	Attended	Attended	Attended	Attended
Sir Jonathan Symonds	6	3			5		
Emma Walmsley	6						
Julie Brown (from 1 May)	4 (4)						
Elizabeth McKee Anderson	6					6	5
Dr Hal Barron	6			3			
Charles Bancroft	6	3			5	6	5
Dr Anne Beal	6	3	4		5		5
Wendy Becker (from 1 October)	2 (2)					2 (2)	2 (2)
Dr Harry Dietz	6	3		3			
Dr Jesse Goodman	6		4	3			
Urs Rohner	6	1			5	6	5
Dr Vishal Sikka	4*		2				
Retired members							
Iain Mackay (until 1 May)	2 (2)						
Number of additional meetings	4	–	1	6	–	3	1

For those Directors who served for part of the year, the numbers in brackets show the number of meetings the Directors were eligible to attend. Details of committee members' skills and experience are included in their biographies on pages 108 to 111. There was a high attendance record at scheduled Board and committee meetings for all our Directors who served during 2023, as set out above. In January 2024, Urs Rohner has reached nine years of service and will step down from the Board at the 2024 AGM as planned. He continues to demonstrate all the characteristics of independence expected by the Board in carrying out his role on the Board.

\*Dr Vishal Sikka joined the Board in July 2022. During his first year on the Board he was unable to attend two Board meetings because of pre-existing external board commitments. He contributed fully to the Board's work during 2023. He met regularly with the Chair to provide his input on Board and Committee materials. He inputted on technology and AI discussions at the Audit & Risk Committee. He also spent time with our Chief Digital and Technology Officer and her team during the year, sharing his expertise and perspectives.

### FRC UK Corporate Governance Code

#### Financial experience

In accordance with the FRC's Code, the Board determined that Charles Bancroft has recent and relevant financial experience. It has also agreed that he has the appropriate qualifications and background to be an audit committee financial expert as defined by the Sarbanes-Oxley Act of 2002, and has determined that he is independent within the meaning of the Securities Exchange Act of 1934, as amended.

Members of the Audit & Risk Committee also have financial and industry experience, details of which can be found in their biographies on pages 108 to 111.

#### Compliance statement

The Board is pleased to report that in 2023 it was in full alignment with the provisions of the FRC's Code.

The Board is also pleased to report that it has consistently applied the principles of the FRC's Code, as set out on the pages of this Corporate Governance report. A copy of the Code is available on the FRC's website at [www.frc.org.uk](http://www.frc.org.uk).

### Board appointments policy

All our Non-Executive Directors are expected to devote such time as is necessary for the performance of their duties. Each Director is required to attend a minimum of 75% of scheduled Board and committee meetings. However, it is recognised that there may be rare occasions when this is not possible, as explained above in the attendance table. Special allowance is also given during the first year of Board membership while calendars are aligned.

Our Board Directors' external appointments are governed by a Board-approved policy. It is considered that external appointments can help Board and GLT members widen their expertise and knowledge, and hence perform their roles more effectively. When proposing new Non-Executive Director appointments to the Board for approval, the Board considers the other demands on the individuals' time. Before being appointed to the Board, an individual is required to disclose the significant commitments they may have with an indication of the time involved.

Subsequently, all additional prospective external appointments for serving Board Directors are considered and approved by the Board, noting the nature of the role and type of organisation, time commitment and any potential conflicts that could arise.

The Company Secretary maintains a register of commitments and potential conflicts. The Board is satisfied that given Directors' other interests, each has sufficient time to carry out their role with GSK. Our Executive and Non-Executive Directors may undertake a maximum of one or up to four other listed-company directorships respectively.

# Ahead Together – Board oversight

## The Board carries out its responsibilities through an annual programme of meetings

The Board seeks to optimise its effectiveness by setting its annual meeting programme to focus on priorities agreed for the year to support delivery of the company's short-, medium- and long-term strategy. The Board and its committees' programmes of work are set to complement each other and avoid unnecessary duplication. During the year the Board received papers and presentations and actively discussed progress with management and our people. These materials and discussions help the Board make effective decisions, and contribute to its oversight of business performance and ensure good governance.

The key areas the Board considered in 2023 are highlighted below:

Areas of focus in 2023	The Board's work in 2023 included:
<b>Building momentum as a pure biopharma company</b>	<p>Overseeing GSK as a pure biopharma business and delivery of performance included:</p> <ul style="list-style-type: none"> <li>– setting and approving the Board's 2023-2024 priorities</li> <li>– discussing and scrutinising strategic plans for GSK and assessing the potential to upgrade our longer-term outlook</li> <li>– scrutinising updates on R&amp;D strategy, progress and progression of the company's pipeline</li> <li>– discussing GSK's overall commercial strategy and in particular for China</li> <li>– discussing end-to-end business opportunities and the impact of AI and other advanced technologies for performance and patients</li> </ul>
<b>Ahead Together – further strengthening the fundamentals of value creation</b>	<p>Overseeing the fundamentals of commercial execution, cost-base management, capital allocation, pipeline and culture included:</p> <ul style="list-style-type: none"> <li>– receiving regular reports from the CEO, CFO and CSO including the assessment of delivery of performance targets</li> <li>– receiving updates on R&amp;D strategy, approach and pipeline progress</li> <li>– assessing the product area strategy reports on Vaccines, Speciality Care (including HIV), Oncology and General Medicines</li> <li>– reviewing GSK's capital allocation priorities to ensure investment for growth to deliver improved returns for shareholders</li> <li>– evaluating business development transactions, acquisitions and strategic partnerships with third parties including BELLUS Health, Zhifei, Hansoh, Aiolos Bio, Arrowhead Pharmaceuticals and Janssen Pharmaceuticals</li> <li>– scrutinising the Group's financial performance, shareholder value creation and development of Investor Relations Roadmap</li> <li>– reviewing Zantac litigation strategy</li> <li>– approving the monetisation of the retained shares in Haleon post demerger of the Consumer Healthcare business</li> </ul>
<b>Enhancing ESG leadership</b>	<p>Overseeing culture and embedding ESG at our core included:</p> <ul style="list-style-type: none"> <li>– assessing ESG performance and reviewed plans for low-carbon Ventolin, including clinical and non-clinical data available to support regulatory submissions</li> <li>– approving the ESG Performance Report</li> <li>– oversight of the company's Pricing and Access Policy principles</li> <li>– reviewing stakeholder perception research</li> </ul>
<b>Regular corporate governance oversight</b>	<p>The Board's programme of governance included:</p> <ul style="list-style-type: none"> <li>– reviewing the quarterly financial results, dividend proposals, earnings guidance, investor materials, results announcements and 2022 Annual Report and Form 20F and receiving related reports from the external auditor</li> <li>– setting the annual budget and the forward-looking three-year plan and long-range forecast</li> <li>– conducting an annual review of the enterprise risk responsibility framework and enterprise-wide risks</li> <li>– undertaking an annual Board evaluation and implementing its agreed outcomes</li> <li>– receiving reports on Board committee work and reviewing and continuing to evolve the Board's governance architecture</li> <li>– evaluating the CEO's 2023 performance, and setting her 2024 objectives</li> <li>– reviewing culture, talent and succession plans annually</li> <li>– engaging with GSK's stakeholders and people to gather and understand their views about the company's activities, operations and culture</li> <li>– reviewing the employee pulse survey results</li> <li>– receiving reports on wider corporate governance and regulatory developments, and the Company Secretary's report</li> <li>– approving the company's modern slavery statement and gender pay gap positioning</li> </ul>

## Ahead Together – Board oversight continued

### Board performance

The Board evaluates its performance, and that of its committees, every year.

The evaluation is normally carried out externally every third year. The most recent external evaluation was facilitated in 2022 by Jan Hall of No 4, a business advisory company that does not have any other connection with GSK.

The 2023 Board and committee evaluation was conducted internally by the Company Secretary who:

- provided a questionnaire to Board members
- drew together responses and themes from the responses to discuss outcomes and recommendations with each Committee Chair
- following discussion with each committee and the Board as a whole, identified areas of focus and improvement for the Board and committees, which are set out below

### Action points

After due consideration and discussion, the following action points to further improve performance in 2024 were agreed:

- the key priorities for the Board's focus and programme of meetings for the year ahead
- given the fundamental importance of culture, the Board wished to ensure it too fully embodied GSK's culture and would therefore undertake the culture training provided to employees
- additional opportunities to increase informal engagement between the Board and management
- the removal of unnecessary duplication in the Board and its committees' work would be continued. This programme aims to further simplify papers and create time to have deeper discussions in meetings

### Board committee evaluations

The review of the Board committees focused on potential opportunities to further support GSK's momentum as a pure biopharma company, to help remove duplication and support the delivery of the Board's priorities identified for 2024. In addition, each committee reviewed its committee members' tenure, expertise and diversity.

Each committee was considered to have operated effectively and the following enhancements were agreed:

- **Corporate Responsibility Committee:** has a wide remit and was performing well. Consideration would be given to additional routes to identify potential emerging issues within the Committee's area of responsibility for its review. In addition, the Committee would continue to seek external perspectives to provide challenge
- **Science Committee:** was working effectively. Opportunities to further enhance effectiveness were considered. In particular the Committee's 2024 programme would focus on R&D's Tech strategy. The capacity to undertake more deep dives on specific areas of R&D activity and to input earlier into new projects would be explored
- **Nominations & Corporate Governance Committee:** was working effectively. A successor to Dr Jesse Goodman was being sought ahead of his retirement from the Board in 2025. The Committee would undertake a review of the Board and committee architecture and membership in 2024 to ensure it remained aligned to Board priorities
- **Audit & Risk Committee:** was considered to be effective. The work to appropriately streamline material reviewed by the Committee has made good progress and will continue as an area of opportunity. In the year ahead the Committee will also continue to give focus on tech, cyber security and the use of AI
- **Remuneration Committee:** had operated effectively during 2023 despite a challenging environment. The focus for 2024 would be to determine the right business imperatives for GSK's next remuneration policy to ensure it was globally competitive and rewarded delivery of outperformance

### Chair's evaluation

The Senior Independent Director (SID) carried out the Chair's evaluation. He sought feedback on the Chair's performance from the Directors individually and collectively. From this review, they concluded that the Chair was leading the Board appropriately and effectively. The Chair and SID discussed the results of the review.

# Continuous engagement and key decisions

## Prioritising continuous engagement

Our stakeholders rightly have high expectations of us, and the company's dynamic operating environment presents many challenges and opportunities. As a Board we aim to make sure that being commercially successful is balanced and aligned with meeting our stakeholders' expectations, upholding our reputation, maintaining our licence to operate and building trust. We engage with or are briefed about our stakeholders' views to make sure we identify and respond to their expectations effectively and appropriately.

How we engage with our main stakeholder groups – including patients, shareholders, consumers, customers and our people – across the company is covered in the pages of the Strategic report.

Patients and our people are two stakeholders at the heart of our culture, with all our people ambitious for patients, accountable for outcomes and committed to doing the right thing. Our culture is described on pages 14 and 15 of the Strategic report.

The influence and importance of different stakeholder groups can vary, depending on the matter being considered. Certain stakeholders' interests can be in conflict, meaning that we, as a Board, need to make balanced judgements.

Continuous stakeholder engagement and feedback helps us identify emerging issues. It also enables us to make decisions in the context of what is relevant and important to each of them.

Our principal Board committees, and the GLT, undertake engagement on the Board's behalf according to their remit. This means that they can build a detailed understanding of how our actions or plans are affecting or might affect stakeholders. These insights are then shared with the Board.

In particular, the Board receives briefings on stakeholders' perspectives from the work of the Corporate Responsibility Committee, which is discussed on pages 128 and 129.

Board members regularly receive:

- the CEO's Board report
- a specific external stakeholder insights report. This provides strategic insights based on an analysis of key developments, achievements and risks affecting our reputation and the perceptions of all our external stakeholders
- a regular investor relations report which summarises investor perceptions
- regular corporate governance, litigation and regulatory updates

The Board also learns of stakeholders' views through:

**Engagement and feedback events:** such as quarterly investor results calls, the Annual General Meeting, employee survey reports, the Board's workforce engagement activities, and from experts presenting at Board or committee meetings. The Chair also holds regular investor check-in meetings, which the SID, Charlie Bancroft, sometimes joins, and is available for individual meetings with investors.

**Other opportunities:** Board members also gain wider stakeholder views during the annual strategy meeting with the GLT, as part of the yearly review of strategy, budget and planning processes. This also includes a review of specific aspects of the company's policies or strategy. In addition, Board members are encouraged to meet individually with employees, shareholders and other key stakeholders during their induction,

and then on an ongoing basis. They are encouraged to report to the Board on such experiences where relevant and material.

## Engaging with our people

We have well-established and strong engagement mechanisms with our employees, which are described on pages 14 and 15, and which the Board monitors regularly. Four key governance channels help the Board understand what our people are thinking:

- regular Board updates from our Chief People Officer and the CEO on culture and talent
- feedback from an annual employee engagement survey, including questions on engagement, confidence and inclusivity
- a range of pulse surveys of different-sized employee groups to help check sentiment on a quicker and more frequent basis, and to provide valuable insights on the impact of major initiatives, events or communications
- direct engagement by the Board

**Workforce engagement:** Before the company's demerger, the Board reviewed its formal workforce engagement arrangements. It was decided to move from a specific Workforce Engagement Director model and to apply an 'alternative arrangement' to the three methods set out in the FRC's Code.

Given that the new GSK Board was recently refreshed in terms of tenure, with more than half the independent Non-Executive Directors having served for less than three years, and given GSK's renewed purpose and focus as a global biopharma company, it was considered important to adopt a collective Board engagement model. This was agreed to be the most effective approach to ensure newer Board members meet employees and hear their views.

This new model operated in 2023 through:

- direct in-person receptions with local employees during Board site visits, including in Wavre, Belgium (as one of our two global Vaccines hubs), Boston, US, and our global headquarters in Brentford
- the Chair's site visits, including to the Wavre and Singapore Vaccine manufacturing sites, and the Philadelphia Commercial site
- the Chair's attendance at management meetings, including China Commercial employees, the Commercial Core Leadership team in the UK, China regional general managers and Commercial talent and Saudi Arabia general management team
- the Chair and Corporate Responsibility Committee Chair convene and attend ongoing meetings with leaders of the company's employee resource groups to talk about how they experience GSK, how they think the DEI agenda and ambitions are progressing and sharing their suggestions to further enhance our DEI agenda
- utilising a variety of bespoke engagements that have enabled a broad and open dialogue and facilitated first-hand engagement discussions between the NEDs and our people individually and as part of small groups, encompassing perspectives on our strategy, purpose and Ahead Together culture, and DEI



## Continuous engagement and key decisions continued

### Engaging with our shareholders

As a Board we aim to directly engage with and be directly accountable to institutional investors and private retail shareholders. We do this in several ways, including regular communications, the Annual Governance Meeting, our Annual General Meeting, and through the work of our Investor Relations team, the Chair, Jonathan Symonds, and our Company Secretary, Victoria Whyte. Our SID, Charlie Bancroft, is another point of contact for our shareholders.

Each quarter, our CEO, Emma Walmsley, and CFO, Julie Brown, give results presentations to institutional investors, analysts and the media by webcast. They are also regularly joined by the CSO, the Chief Commercial Officer (CCO), and CEO, ViiV. They are able to provide investors with more detailed insights into their specific areas of responsibility.

Through regular meetings, they each have an ongoing and active dialogue with institutional shareholders about the company's performance, plans and objectives. In 2023,

- CEO: 103 engagements, representing 38% of the company's share register
- The current and previous CFO: 60 and 51 engagements, comprising 33% and 31% of the register
- CSO: 90 engagements, representing 31% of the register
- CCO: 80 engagements, representing 39% of the register
- CEO, ViiV: 61 engagements with 39% of the register

Our Chair maintains a consistent dialogue with shareholders too – including fund and portfolio managers – and regularly engages with governance and ESG professionals. During 2023 and up to the date of publication of this Annual Report, Jon held over 30 individual engagements with a range of institutional shareholders, which make up approximately 30% of the company's share register. This enables him to gain a current understanding of shareholders' views, insights and perspectives of the company. He also discusses the continual evolution of the many aspects of Board governance, performance oversight and succession.

This year our Chair, CEO and the rest of the Board and key GLT members focused on communicating the strong ongoing performance of GSK as a global biopharma business, the successful launch of Arexvy, the world's first RSV vaccine, and progressing our pipeline across the core therapy areas of infectious diseases, HIV, respiratory/immunology and oncology.

### Annual Governance Meeting

This year's hybrid meeting was held in central London. Institutional shareholders, key investment industry bodies and proxy advisory firms were invited. 15 representatives of various institutional shareholders and proxy advisers attended the event, comprising approximately 25% of the company's share register.

The meeting had a new format to make it as interactive as possible. It began with Jon sharing with investors the Board's priorities and focus for 2023 and beyond, with Charlie then providing his reflections on the year. Jon, Charlie and our Non-Executive Directors then held an informal and open discussion of those issues on shareholders' minds, which helped foster a richer dialogue.

The key themes covered included the:

- Board changes and succession planning arrangements
- work of and challenges for the Board over the last year
- company's current and future momentum and excellent execution of our key priorities
- harnessing of digital, technology and talent, driven by our Ahead Together purpose
- positive signs of the influence of our culture of being ambitious for patients, accountable for impact and doing the right thing

The meeting and its new format were well received and shareholder feedback was shared with the full Board.

### Annual General Meeting

We were pleased to hold the company's hybrid AGM at the Sofitel Heathrow in May 2023. 72 shareholders joined the meeting in person and 49 shareholders joined virtually via the Lumi platform to watch or listen to updates from our Chair and the CEO, and to vote. Shareholders were able to ask questions during the meeting in person and virtually. All our proposed resolutions were approved by shareholders, with majorities ranging from 89% to 99%.

Our hybrid AGM this year will be held at a new venue, Royal Lancaster Hotel in Central London, which is located close to our new global headquarters. For more details see page 298.

## Continuous engagement and key decisions continued

### Section 172 statement

Board members are required by law to promote the success of their company for the benefit of both shareholders and wider stakeholders, including employees, suppliers and society. This statement meets the requirement, as set out in Section 172 and Section 414CZA of the Companies Act 2006 (Act). It summarises how, during 2023, our Directors addressed the matters set out in Section 172(1) (a) to (f) of the Act when performing their duties.

The Board considers that this statement focuses on those risks and opportunities that are strategically important to GSK, consistent with the Group's size and complexity. This allows it to properly understand the potential effects of the decisions it makes on all stakeholders.

The details of our engagement with our main stakeholder groups, including our patients, shareholders, consumers, customers and employees across the organisation, is summarised generally throughout the pages of our Strategic report. The Board's continuous engagement with the company's shareholders and people in particular is set out in this section on pages 121 to 127. Our corporate governance architecture and processes are summarised on pages 116 to 118.

The Board seeks to consider all relevant matters when making decisions, most especially when these are to continue to drive performance and momentum for GSK into the future.

### (a) Long-term results

#### The likely consequences of any decision in the long term

In a challenging economic and political landscape, the Directors recognise the criticality of investing in a pipeline of vaccines and medicines to prevent disease as well as meeting the changing and unmet healthcare needs in support of GSK's purpose, our Ahead Together strategy and ultimately the long-term success and sustainability of GSK. At the same time, GSK works with governments, regulators and industry partners to ensure our medicines and vaccines can reach patients at scale, bringing value to both the patients who need them and to payers

Our Directors appreciate that assessing the consequences of their long-term decisions in this environment can be multifaceted, finely balanced and invariably involves a trade-off between competing stakeholder interests

To support their decision-making, Directors are provided with papers/information that, as a minimum, describe the long-term proposal under consideration and comment on how it:

- fits with/strengthens or otherwise impacts the business strategy, budget and the three-year plan if relevant
- is aligned with our Ahead Together ambition and outlooks

Our Directors are also apprised of success and risk factors and, if appropriate, alternatives considered and the rationale for

the proposed choice, highlighting any relevant stakeholder impacts of the proposal under consideration, whether positive and/or negative. The Directors then have all the relevant factors for consideration during their decision-making process

Papers/information relevant to this duty are normally submitted by the CEO; CFO; Chief Scientific Officer; Chief Commercial Officer; President, Corporate Development; President, Global Affairs, or other GLT members and/or their direct reports for input, challenge and decision or awareness of the Directors

#### Matters considered by our Directors include:

- Pipeline progression reviews
- Budget planning
- Business development deals
- Capital allocation priorities
- Commercial (Vaccines, General Meds and Specialty) reviews
- Dividend policy
- ESG ambitions, including our six areas of ESG focus

For more specific details see our Ahead Together and business model disclosures on pages 1, 8 and 9

### (b) Our workforce

#### Interests of our people

Our Directors understand that our people are at the core of our Ahead Together ambition, helping to power our purpose and delivering on our strategy and seek to create and oversee an environment at GSK in which outstanding people can thrive. A positive employee experience is critical to attract, retain and motivate the best people

Papers/information relevant to this duty are normally submitted to the Board by the Chief People Officer or Head of Reward for input, challenge and decision or awareness by our Directors

#### Matters considered by our Directors include:

- Culture progress
- Talent pipeline
- Diversity, equity and inclusion ambitions
- Ethnicity and gender pay gap data, trends and reporting
- Employee engagement practices and feedback
- Health and safety risks
- Pay fairness and benefits
- Performance with choice and the workplace environment

For more specific details see our culture and people, diversity, equity and inclusion and engaging with our people disclosures on pages 14 and 15, 52 and 53 and 121



## Continuous engagement and key decisions continued

### (c) Our business relationships

#### The importance of developing the Group's business relationships with suppliers, customers and others

Patients are placed by GSK at the heart of our purpose and culture, where we are all ambitious for patients, accountable for our impact and do the right thing

Our suppliers and other key stakeholders – including governments, NGOs, healthcare authorities, healthcare professionals, R&D joint venture partners, affiliate companies and others – help us research, develop, manufacture, regulate, provide access and distribute the medicines, vaccines and other products that patients need

A key imperative for our Directors, as custodians of a responsible business, is to ensure the company develops and monitors these relationships and partnerships to ultimately serve patients. In line with our Code of Conduct, our suppliers are expected to meet our Anti-bribery and corruption and labour rights standards and to comply with our standards on quality, health and safety, and the environment (which are explored in further detail below). In helping to foster good relations with suppliers we offer preferential payment terms to designated smaller suppliers in the UK and US

Papers/information relevant to this duty are normally submitted by the CEO; CFO; President; Global Supply Chain; Chief Commercial Officer; Chief Scientific Officer; President, Global Affairs and/or their direct reports for input, challenge and decision or awareness by our Directors

#### Matters considered by our Directors include:

- Access to healthcare
- Ethical standards
- Global health and health security
- Human rights
- Modern slavery act statement
- Product governance
- Scientific and patient engagement
- Supplier payment policy
- Third-party risk management programme
- Working with third parties policy

For more specific details see our responsible business disclosures on pages 45 to 55

### (d) The community and the environment

#### The impact of the Group's operations on the community and our environment

The environment is one of our principal ESG focus areas. ESG is embedded in our strategy and fundamental to our success. To get ahead of disease and to help ensure this long-term success, our Directors recognise that as a responsible business we need to consider ESG impacts across everything we do. This extends from the lab to patients, by taking action on climate and nature

Our manufacturing sites have a key role in our contribution to a net zero, nature positive, healthier planet, and environmental sustainability is a fundamental part of our global supply chain strategy. Supplier action will in turn help GSK achieve its environmental goals on climate and nature. This is embodied in GSK's Sustainable Procurement Programme which, in its first full year in operation, has seen our suppliers take action on carbon, power, heat, transport, water, waste, and sustainable, deforestation-free sourcing of materials in support of our environmental sustainability goals

Our Directors believe the company should be reflective of and support the diversity in the local communities in which we serve. In doing so, we are strengthening early STEM education investments to further support a long-term diverse talent pool and increase the positive impact of volunteering activities within our communities. We are also investing in plans to improve natural habitats, protect biodiversity and improve soil and water quality near our manufacturing sites

Papers/information relevant to this duty are normally submitted by the President, Global Affairs; President, Global Supply; and Chief People Officer and/or their direct reports for input, challenge and decision or awareness by our Directors

#### Matters considered by our Directors include:

- Community investment and donations policy
- Clinical trial diversity planning and enrolment
- Diversity, equity and inclusion strategy
- Environment, net zero and nature positive goals
- Environment, health and safety risks
- Emerging climate and environmental legislative/regulatory reviews

For more specific details see our responsible business and climate and nature-related financial disclosures on pages 45 to 55 and 62 to 75

## Continuous engagement and key decisions continued

### (e) Our reputation

#### Our desire to maintain our reputation for high standards of business conduct

As a responsible company, GSK seeks to be a force for good, with ambitious targets for positive impact on the health of people, society and the planet. The company manages risks effectively, takes action if things go wrong and seeks to respect human rights. Our Directors periodically review the continuing appropriateness of the frameworks underpinning our high standards of business, such as our Code of Conduct, including a range of policies and standards, and the architecture of our corporate governance arrangements

Papers/information relevant to this duty are normally submitted by the CEO; CFO; General Counsel; Chief Commercial Officer; President, Global Affairs; Chief People Officer; Chief Digital and Technology Officer; Chief Compliance Officer; the Company Secretary; and Head of Audit & Assurance for input, challenge and decision or awareness by our Directors

#### Matters considered by our Directors include:

- Audit & Assurance plan
- Code of Conduct
- Corporate and financial statements
- Corporate governance and regulatory updates
- Enterprise risk assessments
- ESG ambitions, including our six areas of ESG focus
- Emerging ESG legislative/regulatory reviews
- Internal control and risk effectiveness reviews
- Speak Up and internal investigations

For more specific details see our responsible business and corporate governance architecture disclosures on pages 45 to 55 and 116 to 118, and our separate ESG Performance Report

### (f) Fairness between our shareholders

#### Our aim to act fairly as between members of the Group

Our Directors seek to act fairly between the interests of all shareholders – major and retail shareholders alike. There is regular and constructive dialogue with shareholders to communicate our strategy and performance to receive investor views and perspectives, promote investor confidence, ensure our continued access to capital and inform our Directors' decision-making on strategic matters. As they do so, our Directors navigate and weigh up a range of shareholder opinion to arrive at decisions that support the long-term success of the company

Papers/information relevant to this duty are normally submitted by the CEO, CFO, President, Global Affairs, Head of Investor Relations and the Company Secretary for input, challenge and decision or awareness by our Directors

#### Matters considered by our Directors include:

- Annual general meeting
- Annual governance meeting
- Capital markets days and meet the management events
- Group and individual Director shareholder meetings
- Investor and analysts perception surveys
- Investor relations plan
- Remuneration policy proposals

For more specific details see our shareholder engagement and shareholder information disclosures on pages 122 and 295 to 314

## Continuous engagement and key decisions continued

### Key decisions

In its decision-making, the Board focuses on GSK's priorities as a pure biopharma company with strong momentum and big ambitions, whilst balancing the interests of our stakeholders. Selected examples of some of the key decisions taken by the Board in 2023 and January 2024 to drive our purpose, momentum and strategy include:

Decision	How the Board/Committee regarded stakeholder interests	Stakeholder groups and other section 172 duties considered
<b>Upgraded ambition for growth</b> The Board considered upgrades to the new and long-term ambitions for GSK, through investing for the future and delivering attractive returns to shareholders	<p>In June 2021, GSK articulated to shareholders an outlook for the period to 2026 and 2031. Given GSK's improved performance and strong momentum as a focused biopharma company, the Board and Audit &amp; Risk Committee agreed that an update to investor expectations was appropriate</p> <p>In January 2024, following thorough review, GSK published new upgraded outlooks to the market for 2021-26 for sales to grow more than 7% and adjusted profit by more than 11% on a CAGR basis, and by 2031 to deliver sales of more than £38 billion. This represents an increase of £5 billion versus the estimate given in 2021 and a marked sales acceleration. This also provided clear visibility to shareholders, our people and other key stakeholders of the building blocks of future growth for the company</p>	<p><b>Stakeholders:</b> Patients, employees and investors</p> <p><b>Other s172 duties:</b> Our long-term results, workforce, fairness between shareholders and business relationships</p>
<b>Progressive dividend policy</b> The Board and Audit & Risk Committee considered the application of the progressive dividend policy in line with capital allocation priorities	<p>The Board recognises the importance of dividends to shareholders. In December, the Audit &amp; Risk Committee and the Board considered how GSK's progressive dividend policy should best be applied in line with the agreed capital allocation priorities of the Group and its investment strategy for growth alongside the sustainability of the dividend</p> <p>This resulted in an increased dividend of 16p for Q4 2023 (Q4 2022: 13.75p) and 58p for the full year 2023 (2022: 61.25p). The expected dividend for 2024 is 60p</p>	<p><b>Stakeholders:</b> Investors, patients and our workforce</p> <p><b>Other s172 duties:</b> Our long-term results, workforce and business relationships and reputation, and fairness between our shareholders</p>
<b>Capital allocation framework</b> The Board considered an updated capital allocation framework to best support growth and sustainable returns to shareholders	<p>The Board approved an updated capital allocation framework, with the priority of investing in the business, focussed towards development of the pipeline through both the organic R&amp;D portfolio, and targeted business development. This will be achieved through an increased focus on ROI for these investments</p> <p>Ultimately, the Board determined that the updated framework would continue to support investing in growth and delivering sustainable returns to shareholders, underpinned by a strong balance sheet. It is also consistent with GSK's strategic priorities and supports the company's commitment to deliver long-term profitable growth</p>	<p><b>Stakeholders:</b> Patients, employees and investors</p> <p><b>Other s172 duties:</b> Our long-term results, workforce, fairness between shareholders and business relationships</p>
<b>Business development</b> The Science Committee considered the scientific merits of business development opportunities and where relevant for late stage assets commercial reviews, prior to the Board's review and approval	<p>The Board, with support from the Science Committee and commercial reviews for late stage assets, reviewed many business development opportunities during the year. Those leading to concluded transactions included:</p> <ul style="list-style-type: none"> <li>– licence agreements with Hansoh Pharma for two antibody-drug conjugates with potential across several solid tumour indications to support our work in developing cancer treatments</li> <li>– agreement with Chongqing Zhifei Biological Products to co-promote <i>Shingrix</i> in China, which will significantly extend the availability of the vaccine and support patient access</li> <li>– acquisitions of BELLUS Health and Aiolos Bio to expand and strengthen GSK's respiratory portfolio</li> </ul> <p>These deals were considered in the context of their potential to help GSK deliver transformational medicines to patients and drive growth through accelerating the pipeline</p>	<p><b>Stakeholders:</b> Patients, employees and investors</p> <p><b>Other s172 duties:</b> Our long-term results, workforce and business relationships</p>

## Continuous engagement and key decisions continued

Decision	How the Board/Committee regarded stakeholder interests	Stakeholder groups and other section 172 duties considered
<b>Artificial intelligence and workforce culture</b> The Board considered the approach to and impact of adopting AI on an end-to-end basis across the business	<p>The Board reviewed and provided feedback on the strategy to integrate and responsibly scale AI across the business to accelerate the pipeline, amplify performance and drive productivity</p> <p>The Board recognises the significant potential of AI, particularly in the context of interpreting datasets to develop medicines with a higher probability of success. However, with support from the Audit &amp; Risk Committee, the Board also considered the associated risks of AI, as described on pages 133 and 134. The Board approved the establishment of the AI Governance Council, co-chaired by the General Counsel and CDTO to help manage these risks across the Group</p> <p>Close attention was also paid to the impact of adopting AI on the workforce, including wellbeing gains enabled through increased efficiency and the benefits of further upskilling and building AI capabilities</p>	<p><b>Stakeholders:</b> Patients and employees</p> <p><b>Other s172 duties:</b> Our long-term results, workforce and business relationships</p>
<b>Low-carbon Ventolin strategy</b> The Corporate Responsibility Committee and Board reviewed plans for progression to the next phase of development of the low-carbon Ventolin programme	<p>During the year, the Corporate Responsibility Committee endorsed and the Board reviewed and approved plans to progress the transition from a metered dose inhaler to new-generation low-carbon inhalers, to significantly contribute to GSK's carbon reduction targets for 2030 and 2045. Phase III trials will begin in 2024 and, if successful, the programme has the potential to reduce greenhouse gas emissions from use of the inhaler by approximately 90%</p> <p>The Board and Corporate Responsibility Committee carefully considered the needs of patients who rely on Ventolin, the complexity of the clinical development process as well as the investment required in new manufacturing facilities. If successful, the programme could lead to regulatory submissions in 2025, supporting the health of asthma and COPD patients and making a significant positive impact on GSK's transition to a more environmentally sustainable future</p>	<p><b>Stakeholders:</b> Patients, employees and investors</p> <p><b>Other s172 duties:</b> Our long-term results, workforce and business relationships</p>

## Board committee reports continued

### Significant issues relating to the financial statements

In considering GSK's quarterly financial results announcements and the financial results in the 2023 Annual Report, the Committee reviewed the significant issues and management judgements in determining those results. It reviewed management papers setting out the key areas of risk, actions taken to quantify the effects of the relevant issues, and judgements made by management on the appropriate accounting required to address those issues in the financial statements.

The significant issues considered in relation to the financial statements for the year ended 31 December 2023 are set out in the following table, with a summary of the financial outcomes where appropriate. The Committee and the external auditor have discussed the significant issues addressed by the Committee during the year and the areas of particular audit focus, as described in the Independent Auditor's Report on pages 166 to 179.

Significant issues considered by the Committee in relation to the financial statements	How the issue was addressed by the Committee
<b>Going concern basis for the preparation of the financial statements</b>	The Committee considered the outcome of management's half-yearly and year-end reviews of current and forecast net debt positions and the various financing facilities and options available to the Group. The Committee also considered management's review of the impacts of both the current economic environment and climate change. Following consideration of these assessments, which included stress testing and viability scenarios, sources of liquidity and funding, forecasts and estimates, the Committee confirmed that the application of the going concern basis for the preparation of the financial statements continued to be appropriate.
<b>Revenue recognition, including returns and rebates (RAR) accruals</b>	The Committee reviewed management's approach to the timing of recognition of revenue and accruals for customer returns and rebates. The RAR accrual for US Commercial Operations was £6 billion at 31 December 2023 and the Committee reviewed the basis on which the accrual had been made and concurred with management's judgements on the amounts involved. A fuller description of the process operated in US Commercial Operations in determining the level of accrual necessary is set out in 'Critical accounting policies' on pages 191 and 192.
<b>Provisions for legal matters, including investigations into the Group's commercial practices</b>	The Committee received detailed reports on actual and potential litigation from both internal and external legal counsel including the <i>Zantac</i> litigation, together with a number of detailed updates on investigations into the Group's commercial practices. Management outlined the levels of provision and corresponding disclosure considered necessary in respect of potential adverse litigation outcomes and also those areas where it was not yet possible to determine if a provision was necessary, or its amount. At 31 December 2023, the provision for legal matters was £0.3 billion; see Note 32 to the financial statements, 'Other provisions' for more details.
<b>Provisions for uncertain tax positions</b>	The Committee considered current tax disputes and areas of potential risk and concurred with management's judgement on the levels of tax contingencies required. At 31 December 2023, a tax payable liability of £0.6 billion, including provisions for uncertain tax positions, was recognised on the Group's balance sheet.
<b>Impairments of intangible assets</b>	The Committee reviewed management's process for reviewing and testing goodwill and other intangible assets for potential impairment. The Committee accepted management's judgements on the intangible assets that required writing down and the resulting impairment losses of £421 million in 2023. See Note 20 to the financial statements, 'Other intangible assets' for more details.
<b>Valuation of contingent consideration in relation to ViiV Healthcare</b>	The Committee considered management's judgement that it was necessary to increase the liability to pay contingent consideration primarily as a result of updated exchange rate assumptions as well as increases in sales forecasts and the unwind of the discount. After cash payments of nearly £1.1 billion in the year, at 31 December 2023, the Group's balance sheet included a contingent consideration liability of £5.7 billion in relation to ViiV Healthcare. See Note 33 to the financial statements, 'Contingent consideration liabilities' for more details.
<b>ViiV Healthcare put option</b>	The Committee reviewed and agreed the accounting for the Pfizer put option and concurred with management's judgement on the valuation of the put option of £0.8 billion at 31 December 2023.

## Board committee reports continued

### Effectiveness and quality of external audit process

The Committee is committed to making sure that GSK receives a high-quality and effective external audit. In evaluating Deloitte's performance during 2022, prior to making a recommendation on its reappointment in early 2023, the Committee reviewed the effectiveness of its performance against the criteria which it agreed with management at the beginning of 2022.

The detailed criteria used to judge Deloitte's effectiveness as external auditor are available at [gsk.com](https://www.gsk.com). These are based on the audit approach and strategy, ensuring a high-quality independent audit, effective partnership and value for money.

The Committee monitors engagements with external stakeholders relevant to our areas of oversight, including the FRC and Securities and Exchange Commission.

We sought to ensure that Deloitte would deliver a smooth, thorough and efficiently executed audit for 2023 and so considered:

- the overall quality of the audit
- the independence of Deloitte
- whether Deloitte showed an appropriate level of challenge and scepticism in its work

Deloitte's length of tenure was not taken into account when assessing its independence and objectivity, given it only commenced its role as auditor in 2018. However, the Committee did consider how effectively it had assumed its role as auditor. The Committee also considered feedback on the 2023 external audit, through a survey of Committee members and the financial management team at corporate and business unit level. The survey covered the:

- effectiveness of the auditor's challenge
- integrity of Deloitte
- transparency of its reporting to management and the Committee
- the auditor's effective use of technology
- clarity of the auditor's communications and ways of working
- quality of the audit team's leadership
- skills and experience of the audit team

As Committee Chair, I regularly meet independently with the audit partner. We also meet with the auditor privately at the end of each Committee meeting to discuss progress, as appropriate.

Having reviewed the above feedback, and noted any areas of improvement to be implemented by the audit team for 2024, the Committee was satisfied with the:

- effectiveness of the auditor and the external audit process
- auditor's independence, qualifications, objectivity, expertise and resources

We agreed to recommend to the Board Deloitte's reappointment at the next AGM, and did so free from the influence of any third party.

### Auditor's reappointment

#### External auditor

External auditor appointment	
Last tender	May–December 2016
Transition year	2017
First shareholder approval of current auditor	May 2018
First audited Annual Report and 20-F	Year ending 31 December 2018
New lead audit engagement partner	2023
Next audit tender required by regulations	2025/2026 (to take effect from 2028)

There were no contractual or similar obligations restricting the Group's choice of external auditor.

### Audit partner rotation

The external auditor is required to rotate the audit engagement partner for GSK every five years.

Our previous audit partner stepped down in March 2023 after the audit of GSK's financial statements for 2022 was concluded.

After a robust review process by the Committee, together with the former CFO, the new audit partner was selected. The Committee approved the appointment with effect from the start of the 2023 financial year.

We were satisfied that Deloitte managed an orderly handover to the new audit engagement partner. This resulted in a seamless transition and maintenance of high levels of audit quality and effectiveness throughout the reporting year.

### Audit tender

The Committee considers that, during 2023, the company complied with the mandatory audit processes and audit committee responsibility provisions of the Competition and Markets Authority Statutory Audit Services Order 2014.

As Deloitte continues to maintain its independence and objectivity, and the Committee remains satisfied with its performance, GSK does not intend to tender the external auditor contract before the end of the current required period of 10 years identified above and considers that this is in the best interests of shareholders. The Committee was mindful that there were appointments of a new CFO for GSK and audit partner for Deloitte during the 2023 financial year, which is helpful in further mitigating the risks of any over-familiarity between the company and the auditor.



## Board committee reports continued

### Non-audit services

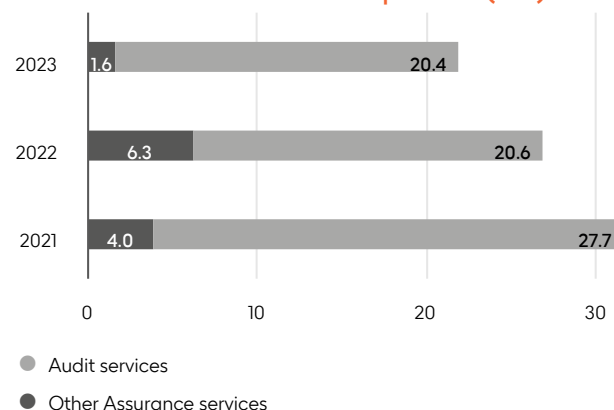
Management operates on the presumption that other accountancy firms will ordinarily provide non-audit services to GSK. However, where the external auditor's skills and experience make it the only suitable supplier of non-audit support – such as for audit-related matters, tax and other services – it may be used, in the best interests of the company.

In line with GSK's non-audit services policy, the Committee ensures that auditor objectivity and independence are safeguarded by reviewing and pre-approving the external auditor's provision of such services. The company policy complies with the FRC's 2019 Revised Ethical Standard and the Sarbanes-Oxley Act of 2002. It observes the following core policy features on engaging the external auditor for non-audit services:

#### GSK non-audit services policy, key features:

<b>Process:</b>	All non-audit services over £50,000 are put to competitive tender with other financial services providers, in line with the Group's procurement process, unless the skills and experience of the external auditor make it the only suitable supplier.	
<b>Safeguards:</b>	Adequate safeguards are established so that the objectivity and independence of the Group audit are not threatened or compromised.	
<b>Fee cap:</b>	The total fee payable for non-audit services should not exceed 50% of the annual audit fee, except in special circumstances where there would be a clear advantage in the auditor undertaking the additional work.	
<b>Prohibitions:</b>	GSK's policy includes a 'whitelist' of permitted non-audit services in line with the relevant regulations. Any service not on this list is prohibited.	
<b>Pre-approval:</b>	All non-audit services require pre-approval as set out in the table below to ensure services approved are consistent with GSK's non-audit policy for permissible services. This process ensures all services fall within the scope of services permitted and pre-approved by the Committee and does not represent a delegation of authority for pre-approval.	
	<b>Value</b>	<b>Pre-approver</b>
	More than £50,000	Committee Chair and CFO
	Between £25,000 and £50,000	Group Financial Controller
	Under £25,000	Designate of the Group Financial Controller

### Audit and other services comparison (£m)



Further fees payable to Deloitte for non-audit services relating to the Consumer Healthcare demerger were £4.4 million in 2022 and £2.4 million in 2021, as set out on page 115 of the 2021 Annual Report and page 128 of the 2022 Annual Report respectively. A fee of £0.2 million was paid to the auditor in respect of GSK pension schemes in each of 2021, 2022 and 2023

The fees paid to the company's auditor and its associates are set out above. Further details are given in Note 8 to the financial statements, 'Operating profit' on page 198.

The Committee considered the level of non-audit services incurred as part of its annual review of Deloitte's independence set out on the previous page and was satisfied that the auditor continued to be independent and exercised objectivity throughout 2023.

### Fair, balanced and understandable assessment

The need for an annual report to be fair, balanced and understandable is one of the key compliance requirements for a company's financial statements. To ensure that GSK's Annual Report meets this requirement, we have a well-established and documented process governing the coordination and review of Group-wide contributions to the publication. This runs in parallel with the process followed by the external auditor. The Committee received a summary of management's approach to GSK's 2023 Annual Report to ensure it met the requirements of the FRC's Code. This enabled the Committee, and the Board, to confirm that GSK's 2023 Annual Report as a whole is fair, balanced and understandable and provides the necessary information for shareholders to assess the company's position and performance, business model and strategy.

### Code of Conduct and reporting lines

We have a number of well-established policies (including a new Code of Conduct), which are available on [gsk.com](https://www.gsk.com), together with details of our confidential Speak Up lines for reporting and investigating unlawful conduct.

#### Charles Bancroft

Audit & Risk Committee Chair  
27 February 2024

# Remuneration report

## Committee Chair's annual statement

Dear Shareholder,

On behalf of the Remuneration Committee, I am pleased to present our Remuneration Report for 2023. This includes my Annual Statement, explaining the Committee's work this year and our Annual Report on remuneration for 2023. A summary of our Remuneration Policy, which was approved by shareholders at the 2022 AGM, is available on pages 158 to 162 of the 2022 Annual Report and at [gsk.com](https://gsk.com).

### Context for 2023 remuneration and outcomes

As outlined earlier in this report, GSK delivered very strong performance in 2023, with sales, adjusted operating profit and adjusted EPS all growing at double-digit levels for the year (excluding COVID-19 solutions). There was also strong pipeline progress with four major product approvals, including the world's first RSV vaccine, *Arexvy*.

Overall, the company is delivering the step change in performance in the commitments it has previously made to shareholders.

2023 was the second year of operation of the company's new Remuneration policy. This is a fundamental part of the architecture of GSK post-separation to ensure we build a performance culture and generate sustained delivery of shareholder value.

Our policy better links executive remuneration to delivery of outperformance, with the Annual Bonus opportunity significantly reduced for below target performance, and increased for exceptional outperformance. Under the new scheme, the increase in the Bonus opportunity does not increase the potential cash reward for executives, as any incremental award is delivered in the form of shares, deferred for three years.

### 2023 Annual Bonus

It is against this delivery that the Committee reviewed the Bonus outcomes for the CEO and CFO.

In terms of the two financial measures, the company delivered sales growth of 14% and adjusted operating profit growth of 16% (excluding COVID-19 solutions). This was significantly higher than both the guidance the company provided at the start of the year and market expectations, and strongly supports delivery of GSK's growth outlooks for the period 2021-26.

This very strong performance led to an overall payout under the financial elements of the Bonus of 190% of salary. The 2023 targets were set after consideration of analyst consensus, and the Committee is comfortable that the payout is representative of very strong performance.

The Committee also reviewed performance against the non-financial measures previously disclosed, together with executives' delivery against their specific individual strategic and operational measures.

When this performance was combined the overall payout against a maximum of 300% was 288% of salary for the CEO (of which 188% of salary is delivered in deferred shares) and 264% of salary for the CFO (197.5% of salary, after proration for the period she was employed in 2023; of which 99% of salary is delivered in deferred shares).

### Long-term incentive (LTI) awards

69.95% of the grant under the 2021 Performance Share Plan (PSP) award vested based on performance to the end of 2023. The award vested in three out of four measures.

There was full vesting of the Pipeline Progress measure and almost full vesting under our Innovation Sales measure (20% and 19.95% respectively). The Cash Flow measure also vested in full (30%).

We remain disappointed that we have not yet achieved vesting under our Relative TSR measure. In part this reflects the adverse share price reaction to *Zantac* litigation in the period, but we also recognise there have been relative concerns on the strength of the company's pipeline. We are confident that the progress we are making to develop our portfolio, together with our improving longer-term outlooks for growth, will be increasingly reflected in GSK's valuation.

### Summary of incentive outcomes

Following a review of contextual factors including previous payouts, the Committee believes that the outcomes appropriately reflect performance in the round having considered the experience of all stakeholders including shareholders and our employees.

The incentive awards in relation to 2023 were all made in accordance with the 2022 Remuneration policy. I also confirm that following careful review the Committee did not deem it necessary to exercise discretion.

### Remuneration policy implementation for 2024

#### Annual Bonus and LTI

The Committee has determined that no changes will be made to our Bonus and LTI measures for 2024. The total sales growth and adjusted operating profit growth targets exclude the commercial benefit from COVID-19 solutions.

Annual Bonus measures will continue to be based on:

- annual total sales growth (30%)
- annual adjusted operating profit growth (30%)
- personal performance against strategic and operational measures (30%)
- ESG: diversity, equity and inclusion (DEI) (10%)

PSP measures will remain as:

- relative TSR (30%)
- total sales growth over three years (20%)
- adjusted operating profit growth over three years (20%)
- pipeline progress (20%)
- ESG: environment composite scorecard (10%)

The performance targets were also calibrated to consider a number of internal and external reference points, in particular analyst consensus. These were used to challenge the metrics and with input from our Science and Corporate Responsibility committees where relevant. The Committee is therefore satisfied that the targets set for 2024 are suitably stretching.

### Salary

The Committee noted that a 4% increase has been agreed for the wider workforce in the UK. After careful consideration, including a review of the market and the CEO and CFO's competitive positioning, it was agreed that they should each receive salary increases of 4% for 2024.

## Committee Chair's annual statement continued

### Workforce fairness

In setting executive pay it is important that the Committee does so with a good understanding of the Group's wider workforce approach to pay, with an emphasis on fairness and equity. To that end, on an annual basis, I meet with senior Human Resources Leaders from across the company to understand their perspectives on pay and GSK's remuneration arrangements for the wider workforce globally. This year was the fifth such annual meeting held. Details of this important check are given on page 122.

### Board changes

As announced in September 2022, Julie Brown joined the Board on 1 May 2023 as CFO, at which point Iain Mackay stepped down from the Board. Details of the joining and leaving arrangements for this transition were described in last year's report.

### Remuneration Committee Chair succession

Finally, I will be retiring as a Non-Executive Director of GSK at the 2024 AGM and this will therefore be my final report as Chair of the Committee.

I was delighted to welcome Wendy Becker, who joined the Committee on 1 October 2023. Since then, Wendy and I have been working on a smooth transition and handover before she succeeds me as Committee Chair in May 2024. She has a wealth of experience chairing remuneration committees and is looking forward to chairing the Committee and leading our 2025 Policy review.

The Committee is planning to undertake a review of the effectiveness of our remuneration arrangements in advance of the scheduled Policy renewal at the 2025 AGM. Wendy and Jonathan Symonds, our Chair, are looking forward to engaging with investors to ensure we are clear on your perspectives as we work to update our Remuneration policy.

### Thank you

I would like to take this opportunity to thank both my fellow Committee members and shareholders for your support and engagement during my tenure as Committee Chair.

I welcome all further feedback and look forward to receiving your support for this report at our Annual General Meeting on 8 May 2024.

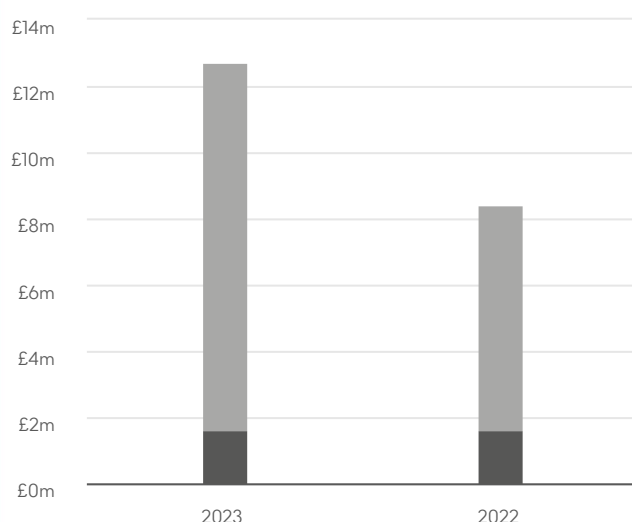
### Urs Rohner

Remuneration Committee Chair  
27 February 2024

# Remuneration at a glance

## 2023 Total Remuneration

### Emma Walmsley, CEO

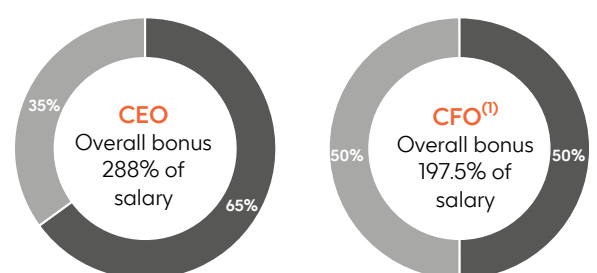


### 2023 Pay for performance

#### 2023 Annual bonus outcome

Financial measures	Target	Delivered
Total sales growth*	7.0%	13.9%
Adjusted operating profit growth*	11.0%	16.4%
Non-Financial measures	Overall Strategic and Operational measures	ESG DEI
Emma Walmsley	Exceeded	Met in full
Julie Brown	Exceeded	Met in full

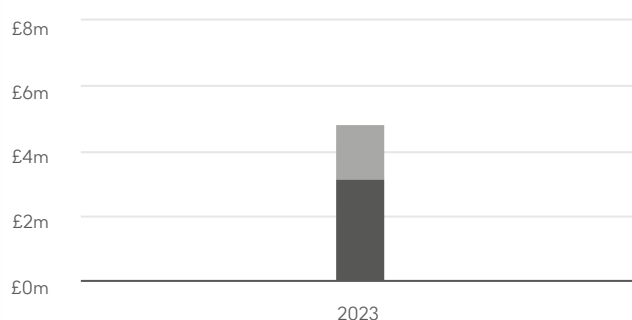
#### 2023 Annual bonus delivery



- Shares deferred for 3 years
- Cash

<sup>(1)</sup>For service from employment on 3 April 2023

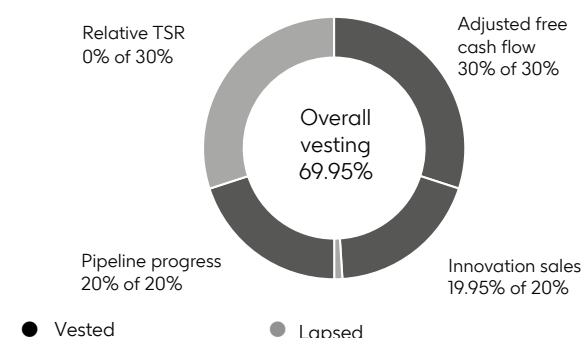
### Julie Brown, CFO (from 1 May 2023)<sup>(1)</sup>



<sup>(1)</sup> See details of CFO joining arrangements on page 142

- Fixed pay – salary, benefits, pensions and other
- Performance pay – annual bonus and vested LTIs

#### 2021 PSP outcome



## 2024 Remuneration implementation

Base salary	4% increase for UK employees and Executive Directors		
Benefits and pensions	No changes		
Pay for Performance		Annual bonus	LTIs (PSP)
Bonus and LTI measures remain as follows	Alignment to strategy		
Total sales growth*	In line with sales growth ambitions	30%	20%
Adjusted operating profit growth*	In line with adjusted operating profit growth ambitions	30%	20%
Strategic and operational	Individual accountability for delivery of our strategy and public ambitions	30%	–
Pipeline	Emphasis on Innovation – rewards acceleration and strengthening of pipeline	–	20%
Relative total shareholder return	Alignment with shareholders	–	30%
ESG ambitions	Nature and Climate ambitions 2024 – DEI Priorities	–	10%
		10%	–

\*excluding COVID-19 solutions

# Annual report on remuneration

## 2023 Total remuneration (audited)

Fixed pay		Pay for performance		
Salary				
Pension	+	Annual Bonus	+	LTI awards (2021 PSP award vesting)
Benefits			=	Total remuneration
Read more on page 143		pages 144 and 145		pages 146 and 147
				below

The following sections from this page to page 160 provide details of each element of 2023 'Total remuneration' and how the Committee implemented the company's shareholder-approved 2022 Remuneration policy during the year in terms of fixed and performance pay.

### 2023 Total remuneration (audited)

	Emma Walmsley, CEO		Julie Brown, CFO (from 1 May 2023)		Iain Mackay, former CFO (to 1 May 2023)	
	2023 £000	2022 £000	2023 £000	2022 £000	2023 £000	2022 £000
<b>Fixed pay</b>						
Salary	1,310	1,260	635	—	305	915
Benefits	212	131	50	—	82	291
Pension	94	253	44	—	22	183
Other <sup>(1)</sup>	—	—	2,411	—	—	—
Total fixed pay	1,616	1,644	3,140	—	409	1,389
<b>Pay for performance</b>						
Annual bonus <sup>(2) (3)</sup>	3,774	3,143	1,687	—	728	2,082
Vesting of PSP LTI awards <sup>(4) (5) (6)</sup>	7,328	3,662	—	—	5,294	1,854
Total pay for performance	11,102	6,805	1,687	—	6,022	3,936
<b>Total remuneration</b>	12,718	8,449	4,827	—	6,431	5,325

(1) **Other:** Represents the sum paid to Julie Brown, the CFO, as part of her Buyout arrangements in relation to leaving Burberry, as set out in full on page 149 of the 2022 Annual Report. In setting the Buyout arrangements, which are staged over a two year period, the Committee sought to ensure she was compensated on a like-for-like basis as far as possible. In fulfilment of these arrangements, the CFO purchased 22,500 shares in June 2023

(2) **Deferred Annual Bonus Plan (DABP):** The mandatory DABP bonus deferrals for 2022 and 2023 are set out on page 156

(3) **Annual bonus:** The 2023 bonus payment for Iain Mackay represents bonus earned in respect of the period from 1 January to 1 May 2023. Details of the bonus paid in respect of the remainder of the year can be found in the Leaving Directors section on page 154. The 2023 bonus payment for Julie Brown represents bonus earned in respect of the period from 1 May to 31 December 2023. Bonus for the full period of her employment in 2023 is shown on page 144

(4) **2020 PSP vesting in 2023:** The Total remuneration figure for the CEO in 2022 included vesting of the top-up award made in May 2020 which did not vest until May 2023. The final actual value received has been updated, bringing the total value to £3.662 million (previously reported as £3.666 million)

(5) **2021 PSP vesting in 2024:** For the CEO, the figure has been valued based on the vesting prices on 9 February 2024 of £16.60. The share price on 10 February 2021, the date of grant, was £12.77. Of the vested amounts for the Executive Directors, 23.1% of the value was attributable to share price appreciation over the performance period. The Committee did not exercise any discretion in relation to the vesting of the awards or share price changes

(6) The PSP vesting value for the former CFO is unreduced and is an illustrative amount as the award will not vest until January 2025 in accordance with the terms of the Executive and Senior Management Recoupment Policy (Recoupment Policy). His award will then remain subject to the two-year holding period which started from the original vesting date of the award in February 2024. The actual value received will be updated in the 2024 Annual Report. Further details of the former CFO's leaving arrangements are set out in the Leaving Directors section on page 154

(7) The CEO and CFO each contribute the maximum of £250 and £125 a month into the Share Save plan and to buy shares under the Share Reward plan respectively. Further details of these HM Revenue & Customs (HMRC) approved all-employee plans are set out on page 147

(8) **Malus and clawback:** The Committee may in specific circumstances, and in line with stated principles, apply malus/clawback, as it determines appropriate. Following due consideration by the Committee, there has been no recovery of sums paid (clawback) or reduction of outstanding awards or vesting levels (malus) applied during 2023 in respect of any of the CEO, CFO or the former CFO

## Annual report on remuneration continued

### 2023 Total remuneration (audited) continued

## Fixed pay (audited)

### Salary

The Committee is very aware of the sensitivity amongst stakeholders to levels of pay. Before setting or reviewing salary, it considered the average increases awarded to employees below Executive Directors and the multiplier effect of increases in base salaries on total remuneration opportunity. The Committee considered the wider economic context, individual performance and market positioning of the increases awarded. The table below sets out the base salaries and increases agreed for 2023 and 2024 of the Executive Directors compared to increases of the UK workforce.

	2023 effective date	% change		Salary £000		
		2024	2023	2024	2023	2022
UK employees	1 April	4	5			
<b>Emma Walmsley</b>	1 January	4	4	<b>1,363</b>	<b>1,310</b>	1,260
<b>Julie Brown</b>	1 May	4	4	<b>990</b>	<b>952</b>	—

Julie Brown's salary on the announcement of her appointment in September 2022 was set in line with her predecessor, given her extensive experience as a CFO. Her salary upon joining was increased to reflect the increases awarded to UK employees and the CEO in early 2023.

### Benefits

This table provides an analysis of total benefits (grossed up for tax) received by the Executive Directors in 2023 and 2022.

The UK remuneration reporting regulations require the company to add into each Executive Director's total benefits all items which are deemed by tax authorities to be a taxable benefit for them. These include employee benefits as well as business-related services provided to employees to assist or enable them to carry out their role, which a tax authority has deemed to be a taxable "benefit" to the individual. Because these are business expenses, the company meets the tax which arises on them and therefore the items are shown grossed up for tax.

	Benefits £000	
	2023	2022
<b>Emma Walmsley</b>		
Benefits available to employees	<b>118</b>	66
Business-related services	<b>94</b>	65
Total benefits	<b>212</b>	131
<b>Julie Brown</b>		
Benefits available to employees	<b>25</b>	—
Business-related services	<b>25</b>	—
Total benefits	<b>50</b>	—

### Pensions

From 1 January 2023, pension arrangements for Executive Directors were aligned to the wider workforce. They received GSK pension contributions or cash supplements of 7% of base salary and matching contributions of up to 3% on the first £26,666 of salary to 31 March 2023 and on the first £66,666 of salary for the rest of 2023.

The table shows the breakdown of the pension values included in 2023 Total remuneration on page 142. They are calculated as set out in the UK Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) (Remuneration regulations).

	Emma Walmsley		Julie Brown (from May 2023)	
	2023	2022	2023	2022
Pension remuneration values				
UK defined contribution	<b>6</b>	3	—	—
Employer cash contributions	<b>88</b>	250	<b>44</b>	—
Pension	<b>94</b>	253	<b>44</b>	—



## Annual report on remuneration continued

## Pay for performance (audited)

## Annual Bonus



## 2023 Annual Bonus performance

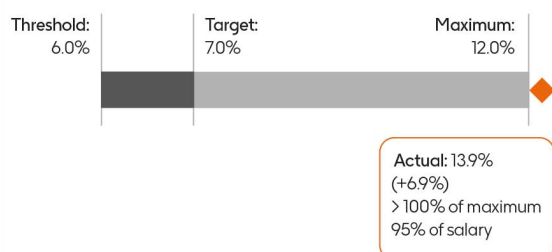
The following table shows the Annual Bonuses earned compared to the bonus opportunity for 2023:

Bonus	Target (% of salary)	Maximum (% of salary)	2023 Bonus opportunity			2023 Bonus outcome		
			2023 salary £000	% of Maximum Bonus	% of Salary	Cash	Paid as (£000)	Shares (DABP Award)
Emma Walmsley	100	300	1,310	96	288	1,310	2,463	
Julie Brown			952	66	197	940	940	

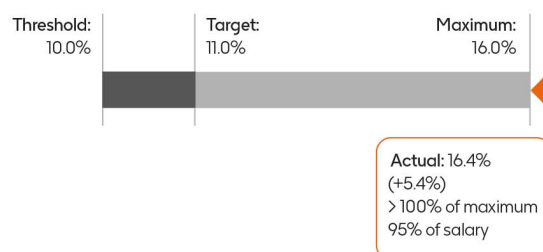
Details of the mandatory deferral by Executive Directors into the DABP for the 2023 bonus are set out on page 156. See page 154 for details of Iain Mackay's 2023 bonus arrangements following his retirement from the company. Julie Brown's bonus has been pro-rated to reflect the period for which she was employed in 2023. The table on page 142 provides the details of her bonus from 1 May when she became an Executive Director.

## 2023 Financial measures

## Total sales growth



## Adjusted operating profit growth



These targets were set following consideration of analyst consensus as well as internal budgets. Threshold and maximum performance was at 1% below and 5% above target growth respectively. The total sales growth and adjusted operating profit growth targets and outcomes for the purposes of the Annual Bonus calculation are based on CER and excluding the commercial benefit from COVID-19 solutions.

## Overview of performance against financial performance measures

- GSK delivered strong performance in 2023 with sales, adjusted operating profit and adjusted EPS all growing at double-digit levels for the year (excluding COVID-19 solutions). This was significantly higher than the guidance provided at the start of the year, and strongly supports delivery of GSK's growth outlooks for the period 2021-26
- Delivered full-year reported Group sales of £30.3 billion (+3% AER, +5% CER, +14% excluding COVID-19 solutions)
- Vaccines growth was 23% AER, 24% CER, with Arexvy sales of £1.2 billion since launch in Q3 2023 and Specialty growth was 21% AER, 23% CER (all excluding COVID-19 solutions)
- Adjusted Group Operating profit CER growth of 16% excluding COVID-19 solutions, driven by higher sales supported by prioritised increased investment in R&D and new product launches
- Adjusted EPS of 155.1p (+11% AER, +16% CER, +22% excluding COVID-19 solutions) was ahead of updated guidance

## Annual report on remuneration continued

### Pay for performance (audited) continued

#### 2023 Strategic and operational measures

The Committee received and considered a performance assessment report for each Executive Director showing the extent of their achievement against the individual personal strategic and operational measures agreed by the Committee for them to support the delivery of our strategic commitments during 2023. As with the financial elements of the Annual Bonus, the Committee was satisfied that the scale of Executive Directors' achievements this year was excellent. These achievements focus on the pipeline, commercial execution and continued evolution of our culture.

Achievement during 2023		Performance assessment
<b>Emma Walmsley</b>		
<b>Innovation</b>	<ul style="list-style-type: none"> <li>– <b>Delivered pipeline progression above target</b> with four major product approvals in RSV prevention, HIV prevention and Oncology</li> <li>– <b>Delivered innovation sales</b> through successful launches including <i>Arexvy</i>. New products launched since 2021 contributed £2.3 billion to sales in 2023</li> <li>– <b>Upgraded long-term outlooks for sales and profits</b> with 2021-2026 outlooks for sales now more than 7% and adjusted operating profit growth now more than 11% CAGR (excluding COVID-19 solutions). 2031 sales outlook increased to more than £38 billion (CER using 2023 average rates)</li> </ul>	Exceeded
<b>Performance</b>	– <b>Delivered the financial plan exceeding guidance set for 2023</b> – with Sales +14% excluding COVID-19 solutions and adjusted operating profit up 12% with further positive impact of +4% excluding COVID-19 solutions, and adjusted EPS grew 16% with further positive impact of +6% excluding COVID-19 solutions (All at CER). Group sales were £30.3 billion	Exceeded
<b>Trust</b>	<ul style="list-style-type: none"> <li>– <b>Sector leader in S&amp;P Global Corporate Sustainability Assessment</b></li> <li>– <b>Access and Global Health</b> – 89 million people in lower income countries reached through access partnerships. Malaria vaccine roll out in up to 12 countries. 11 global health pipeline assets progressing</li> <li>– <b>Environmental Sustainability</b> – progress on all KPIs, including progression of low carbon <i>Ventolin</i> inhaler programme to phase III development</li> <li>– <b>Diversity, Equity &amp; Inclusion</b> – 2025 aspirations for gender diversity and UK and US 2025 ethnicity aspirations at VP and above achieved</li> </ul>	Exceeded
<b>Culture</b>	– <b>Annual survey of employee engagement reported increase to 81%</b>	Exceeded
The Committee determined that the CEO clearly exceeded her individual objectives and that 78% out of the 90% maximum should be attributed to her overall bonus		
<b>Julie Brown</b>		
<b>Demonstrate financial leadership</b>	<ul style="list-style-type: none"> <li>– <b>Deep review of pipeline forecasting</b> to support upgrading of long-term outlooks to 2031 and beyond</li> <li>– <b>Design of new investor engagement programme</b>, including development of an Investor Relations Roadmap and communication of long-term outlooks</li> </ul>	Exceeded
<b>Cost discipline and cash flow management</b>	<ul style="list-style-type: none"> <li>– <b>Deep review of capital allocation and pipeline value 'unlocks'</b> to support investment in organic R&amp;D and Business Development; and to maximise returns to shareholders</li> <li>– <b>Initiated work to drive P&amp;L efficiency</b> with a focus on SG&amp;A and operating margin improvement</li> </ul>	Exceeded
<b>Demonstrate strong culture and leadership</b>	– <b>Successfully integrated into GSK</b> and established strong partnership working with CEO and members of GLT, with notable output to support R&D and the Commercial organisations	Met
The Committee determined that the CFO clearly met her individual objectives and that 54% out of the 90% maximum should be attributed to her overall bonus		

#### 2023 ESG: DEI aspirations

	Emma Walmsley	Julie Brown	Payout level
	Enterprise targets not met	Directorate targets not met	Nil (0%)
	Enterprise targets met, but not all directorate targets	Personal directorate targets met	Target (10%)
	Enterprise and all directorate targets met		Maximum (20%)
<b>Outcome achieved</b>	Maximum payout – 20%	Maximum payout – 20%	

#### Overview of performance against DEI aspirations

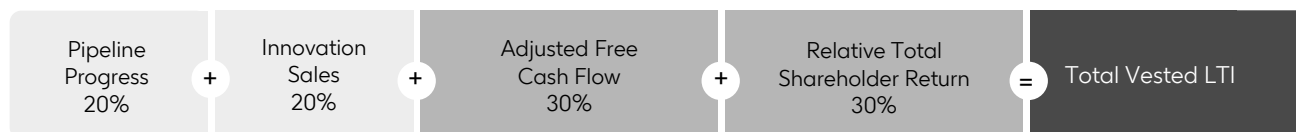
Our ESG: DEI measure reinforces delivery of our commitment to create a diverse, equitable and inclusive workplace. Our broader DEI commitments are set out on page 52. As part of our effort to meet our 2025 Aspirational Targets for diversity of senior leadership, the Committee agreed interim, annual aspirational targets for 2023 including global gender representation and US and UK race and ethnicity representation aspirations at an enterprise level for the CEO and at a directorate level for the CFO. An internal governance team audited performance against these aspirations for the Committee.

**Delivery:** These interim aspirations were met in 2023. At the year end the GSK Enterprise performance was 45% gender representation and 35.7% US ethnicity and 18.4% UK ethnicity in our VP and above employee population. Julie Brown's directorate also met its 2023 aspirations.

## Annual report on remuneration continued

### Pay for performance (audited) continued

#### Vesting of PSP LTI awards



#### Overview of Performance

In line with the Committee's agreed principles, actual performance against each measure is carefully reviewed and adjustments are made, as appropriate. This ensures that the vesting outcome reflects genuine underlying business performance and has been delivered in line with our culture and values. The Committee did not deem it necessary to exercise any discretion in relation to the vesting of the awards or due to share price changes. Overall, 69.95% of the 2021 PSP awards vested against the targets set out below. During the 2021-23 performance period, significant progress was achieved in accelerating the delivery of our pipeline. Near full vesting was achieved under Innovation sales, reflecting increases in the performance of *Trelegy*, *Nucala*, *Dovato* and *Benlysta* during the period. Strong performance was evidenced with full vesting under the Adjusted free cash flow and Pipeline progress elements; however, disappointingly there was nil-vesting under Relative TSR. The percentage of award values vesting below have been rounded down to whole numbers for presentational purposes.

#### 2021 PSP Outcomes

		Outcome and vesting level																	
Performance measures and relative weighting	Performance targets	Outcome	% of maximum	% of award															
Pipeline progress (20%)	Targets strengthening our pipeline through progression of high quality assets into pivotal trials and the achievement of regulatory approvals in major markets. The points are allocated on achievement of these two equally weighted elements of 10%																		
	<table><tr><td>Measure</td><td>Threshold 25%</td><td>50%</td><td>75%</td><td>Maximum 100%</td></tr><tr><td>Pivotal Trial starts</td><td>12</td><td>14</td><td>16</td><td>17</td></tr><tr><td>Major regulatory approval milestones</td><td>13</td><td>15</td><td>17</td><td>19</td></tr></table>	Measure	Threshold 25%	50%	75%	Maximum 100%	Pivotal Trial starts	12	14	16	17	Major regulatory approval milestones	13	15	17	19	18 points 20 points	100 100	 20
Measure	Threshold 25%	50%	75%	Maximum 100%															
Pivotal Trial starts	12	14	16	17															
Major regulatory approval milestones	13	15	17	19															
Innovation sales (20%)	Recognises the importance of launching new products successfully and that driving their performance is key to our commercial success. This measure aggregates three-year sales for new innovative products launched in the three-year performance period and the preceding two years, i.e. 2019-23	£18.65 billion	99.8	19															
	<table><tr><td></td><td>Innovation sales (billion)</td><td>% vesting</td></tr><tr><td rowspan="3">Maximum</td><td>£18.67</td><td>100</td></tr><tr><td>£16.97</td><td>75</td></tr><tr><td>£16.12</td><td>50</td></tr><tr><td rowspan="2">Threshold</td><td>£15.27</td><td>25</td></tr><tr><td>&lt;£15.27</td><td>0</td></tr></table>		Innovation sales (billion)	% vesting	Maximum	£18.67	100	£16.97	75	£16.12	50	Threshold	£15.27	25	<£15.27	0			
	Innovation sales (billion)	% vesting																	
Maximum	£18.67	100																	
	£16.97	75																	
	£16.12	50																	
Threshold	£15.27	25																	
	<£15.27	0																	
Adjusted free cash flow (AFCF) (30%)	In line with the company's agreed principles, the AFCF figures included adjustments for a number of material distorting items, including legal settlements, exchange rate movements and special pension contributions	£9.81 billion	100	30															
	<table><tr><td></td><td>Revised target (billion)<sup>(1)</sup></td><td>% vesting</td></tr><tr><td rowspan="3">Maximum</td><td>£6.54</td><td>100</td></tr><tr><td>£6.26</td><td>75</td></tr><tr><td>£5.69</td><td>50</td></tr><tr><td rowspan="2">Threshold</td><td>£5.52</td><td>25</td></tr><tr><td>&lt;£5.52</td><td>0</td></tr></table>		Revised target (billion) <sup>(1)</sup>	% vesting	Maximum	£6.54	100	£6.26	75	£5.69	50	Threshold	£5.52	25	<£5.52	0			
	Revised target (billion) <sup>(1)</sup>	% vesting																	
Maximum	£6.54	100																	
	£6.26	75																	
	£5.69	50																	
Threshold	£5.52	25																	
	<£5.52	0																	
<sup>(1)</sup> The revised target has been further adjusted since the 2022 Annual Report as noted below																			
Relative TSR (30%)	TSR ranking within comparator group (10 companies)	Ranked 9th	0	0															
	<table><tr><td></td><td></td><td>% vesting</td></tr><tr><td rowspan="3">Maximum</td><td>1st, 2nd, 3rd</td><td>100</td></tr><tr><td>4th</td><td>70</td></tr><tr><td>5th</td><td>40</td></tr><tr><td rowspan="2">Threshold<sup>(2)</sup></td><td>Median</td><td>25</td></tr><tr><td>6th to 10th</td><td>0</td></tr></table>			% vesting	Maximum	1st, 2nd, 3rd	100	4th	70	5th	40	Threshold <sup>(2)</sup>	Median	25	6th to 10th	0			
		% vesting																	
Maximum	1st, 2nd, 3rd	100																	
	4th	70																	
	5th	40																	
Threshold <sup>(2)</sup>	Median	25																	
	6th to 10th	0																	
<sup>(2)</sup> The median vesting threshold falls between two companies. The Relative TSR comparator group is set out on page 152																			

<sup>(1)</sup> The revised target has been further adjusted since the 2022 Annual Report as noted below

<sup>(2)</sup> The median vesting threshold falls between two companies. The Relative TSR comparator group is set out on page 152

#### Total vesting in respect of 2021 PSP awards

69

The AFCF measure target, threshold and associated vesting scales for the 2021 PSP awards have been further adjusted since being restated in the 2022 Annual Report. The net overall impact is an increase in the revised target from £5.64 billion to £5.69 billion for the 2021 PSP awards. The adjustment takes into account revised timings of restructuring payments linked to the Future Ready programme.

## Annual report on remuneration continued

### Pay for performance (audited) continued

#### 2021 PSP vesting

	Granted	Vested <sup>(1)</sup>	Value of vested shares <sup>(1)</sup> (£000)
Emma Walmsley	550,757	441,309	£7,328

- (1) The number of shares which vested and the value they represented at vesting includes dividend reinvestments during the performance period. These are based on the vesting price of £16.60 on 9 February 2024
- (2) The PSP award for Dr Hal Barron vested and was adjusted for time worked during the performance period, including dividend reinvestments. 153,505 shares vested at a value of \$4.492 million. Shares were sold for tax and will be held for two years under the terms of the Recoupment Policy
- (3) The Committee is aware of the guidance from investor bodies regarding the potential executive benefit arising from share award grants around the time of the stock market fall at the onset of COVID-19 in March 2020. Our Remuneration policy contains sufficient flexibility to reduce the vesting of awards if required. No reduction was required in respect of the awards granted in February 2021. In making this determination, the Committee considered the share price at the time of the February 2021 award of £12.77, over the final quarter of 2023 of £14.46 and at the time of the previous award in February 2020 of £16.81. Whilst there have been upward and downward movements in GSK's share price over the period, taking these points into consideration the Committee was satisfied that there was no risk of windfall gains

#### 2023 LTI grants

The 2023 DABP awards, in respect of the deferral of 2022 bonus, and the 2023 PSP awards are set out below.

	% of total 2022 bonus deferred	2023 DABP awards			2023 PSP awards	
		Number of shares	Face value of award <sup>(1)</sup> £000	Award level as % of base salary	Number of shares	Face value of award <sup>(2)(3)</sup> £000
Emma Walmsley	60	125,482	1,883	575	501,927	7,534
Julie Brown	—	—	—	400	264,026	3,808
Iain Mackay	56	77,751	1,167	—	—	—

- (1) The face value of the DABP awards has been calculated based on a share price of £15.01, being the closing price on 8 February 2023 (the day before grant). These are nil-cost options for the Executive Directors. No performance conditions are attached to the DABP awards, as they reflect the mandatory three-year deferrals in respect of the Annual Bonus for 2022
- (2) The face values of the PSP awards have been calculated based on a share price of £15.01 for Emma Walmsley and £14.422 for Julie Brown, being the closing price on 8 February 2023 and 26 April 2023 respectively (the days before the respective grants). The unreduced PSP award for Julie Brown was granted in conjunction with her joining arrangements as detailed on page 149 of the 2022 Annual Report. These are conditional shares, based on the performance measures above. Iain Mackay did not receive a PSP award due to his retirement from the company
- (3) Performance period for the 2023 PSP awards is from 1 January 2023 to 31 December 2025. Awards vest at 25% of maximum for threshold performance. Please see the 2022 Directors Remuneration Report for details of the measures and targets for the 2023 awards

#### Historical vesting for LTI plans

The following table summarises LTI vesting by performance measure for GSK over the last ten years.

	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021
Relative TSR	0	0	0	15	0	0	0	0	0	0
Adjusted free cash flow	0	0	0	21	26	33	33	33	30	30
Innovation sales (previously R&D new product)	7	21	33	33	33	33	33	25	8	19
Pipeline progress									14	20
Business diversification	7	17								
Total vested %	14	38	33	69	59	67	67	58	52	69

#### All-employee share plans

The Executive Directors may participate in HMRC approved all-employee share plans, namely the company's Share Save and Share Reward plans, along with the wider UK workforce. Participants of the Share Save plan may save up to £250 a month for three years and from which they have the option to buy GSK shares at a discount of up to 20% to the share price at the start of the savings contract. Participants of the Share Reward plan contribute up to £125 a month to purchase GSK shares which the company then matches on a one-for-one basis.

#### Malus and clawback policy

Our existing policy on malus and clawback is provided in the 2022 Remuneration policy report on page 147 of the 2021 Annual Report, available on gsk.com. The Committee reviews and discloses whether it, or the Recoupment Committee, has exercised malus or clawback. Disclosure is only made when the matter has been the subject of public reports of misconduct, where it has been fully resolved, where it is legally permissible to disclose and where it can be made without unduly prejudicing the company and therefore shareholders. In line with these disclosure guidelines, there were no matters to report during 2023. An administrative amendment to the malus and clawback section of the 2022 Remuneration policy, as described on page 163 of the 2022 Annual Report, was approved by shareholders at the 2023 AGM. The Committee then adopted an additional clawback policy in accordance with the US Securities and Exchange Commission's new clawback rules effective 30 November 2023.

For details of our existing policies on recruitment remuneration, loss of office and termination payments, please refer to the 2022 Remuneration policy report on pages 144 to 152 of the 2021 Annual Report, available on gsk.com.

## Annual report on remuneration continued

### Pay for performance (audited) continued

### Pay for performance in 2024

#### 2024 Annual Bonus – Performance measures

There are no changes to the operation of the Annual Bonus plan. For full details of the policy please refer to pages 145 and 146 of the 2021 Annual Report.

	Bonus opportunity % of salary	
	Target	Maximum <sup>(1)</sup>
Emma Walmsley	100	300
Julie Brown		

(1) 50% of the equivalent of the first 200% of salary is deferred, and any portion in excess of 200% is deferred in full

#### Weighting of performance measures

	Weighting of performance measures %			
	Total sales growth	Adjusted operating profit growth	Strategic and operational measures	ESG: diversity, equity and inclusion
Emma Walmsley	30	30	30	10
Julie Brown				

Inevitably, targets linked directly to our financial and strategic plan are commercially sensitive. The Committee does not consider it appropriate to disclose Annual Bonus targets during the year, as it may result in competitive harm. However, details of the performance targets will, as usual, be disclosed on a retrospective basis in the 2024 Annual Report.

#### 2024 LTI Awards

The table below provides details of:

- the mandatory deferral into the DABP of the 2023 Annual Bonus payments and the associated awards granted. The shares awarded have no performance conditions, but must be held for three years, regardless of continued employment
- 2024 awards granted under the PSP

	2023 bonus deferred to shares (% of salary)	Number of shares	DABP awards		PSP awards	
			Face value of award (£000)	% base salary	Number of shares	Face value of award (£000)
Emma Walmsley	188	147,271	2,463	575	468,449	7,835
Julie Brown	99	56,190	940	400	236,763	3,960

## Annual report on remuneration continued

### Pay for performance (audited) continued

#### 2024 LTI performance measures

The measures and weightings for the 2024 awards remain unchanged from those used for the 2023 awards:

	Measure	Weighting
Innovation	Pipeline progress	20%
Performance	Relative TSR	30%
	Total sales growth	20%
	Adjusted operating profit growth	20%
Trust	ESG: environment	10%

#### Innovation

The Pipeline progress measure seeks to reward acceleration and strengthening of the pipeline. This is based on two equally weighted elements of our key assets or indications measured over a three-year performance period.

Points are allocated for successful assets in each sub-measure based upon their forecast commercial value (peak year sales) at the end of the performance period. The sub-measures for the 2024 award will vest as follows:

##### Pivotal trial starts

Focuses mainly on phase III registrational trial starts, but may also include phase II starts.

Performance level	Points	Payout
Below Threshold	<15	Nil
Threshold	15	25%
	18	50%
	22	75%
Maximum	26	100%

##### Major regulatory approvals

Performance level	Points	Payout
Below Threshold	<17	Nil
Threshold	17	25%
	20	50%
	22	75%
Maximum	24	100%

The Pipeline progress measure is commercially sensitive at the time of grant. At the end of the performance period we will provide disclosure of what has been achieved.

#### Performance

Relative TSR will continue to be measured against GSK's Global pharmaceutical comparator group (see page 152). The total sales growth and adjusted operating profit growth measures recognise the importance of our commercial ambitions. The targets for total sales growth and adjusted operating profit growth are commercially sensitive at the time of grant.

#### Trust

The ESG: environment measure is based on our Climate and Nature goals (see page 49). The targets for the 2024 award focus on Nature goals relating to Water, Waste & Materials reduction and Biodiversity impact. Climate goals incorporate Scope 1 & 2 emission reduction targets, carbon offsetting and our industrialisation and availability of green *Ventolin*.

To achieve:

- 25% vesting, targets for two measures achieved at the end of 2026, with one in Climate and one in Nature
- 50% vesting, targets for four measures achieved at the end of 2026
- 75% vesting, all six measures must have met their 2026 targets
- 100% vesting, two of the six measures, at least one in Climate and one in Nature, must have exceeded their 2026 targets