

# 2022 Remuneration policy summary

## Remuneration policy review

Our current Remuneration policy (policy) was approved by our shareholders at our Annual General Meeting on 6 May 2020 when it received a 88.18% vote in favour. Shareholders are being asked to approve a new policy at our Annual General Meeting on 4 May 2022 which is intended to apply for the next three years.

During 2021, the Committee considered the policy to define the biopharma business' new approach to remuneration. The decision-making process that the Committee followed for its determination, review and implementation of the proposed new policy is set out in the Committee Chair's statement on pages 120 to 124.

The Committee's review of the policy sought to ensure that it continues to:

- Align with the company's business priorities, culture, wider workforce pay policies and emerging best practice
- Support the bold performance ambitions announced to investors in June 2021 and company's key ESG commitments

- Create long-term shareholder value, and
- Drive the success of the company for the benefit of shareholders, patients, our people and other key stakeholders

In addition, changes to the policy have been made to ensure its implementation will support the delivery of business strategy whilst delivering a clear, understandable and appropriately competitive package to attract, retain and motivate executive talent.

The Committee developed the new policy for Executive and Non-Executive Directors in the context of its oversight of wider workforce pay, however, it did not consult directly with employees on the new policy. It consulted with our largest shareholders in respect of the proposed changes and took shareholders' feedback into account when finalising the new policy.

The table below provides an overview of the main changes that are proposed in respect of the new policy. The full policy that shareholders are asked to approve is set out on pages 144 to 152.

Remuneration element	Proposed changes to policy	Rationale for the change
<b>Pension</b>	<ul style="list-style-type: none"> <li>– The description of the policy has been updated to reflect that the pension arrangements of any current UK and US Executive Directors will be aligned to the new Executive Directors' arrangements from 1 January 2023</li> <li>– The US contribution rates have been updated</li> </ul>	<ul style="list-style-type: none"> <li>– This reflects the commitment given in the 2020 Remuneration Report that the pension arrangements of US Executive Directors would also be aligned to those of the new Executive Directors from January 2023</li> <li>– The US references have been updated to reflect the latest contribution rates for the US wider workforce which came into effect in January 2021</li> </ul>
<b>Annual bonus</b>	<ul style="list-style-type: none"> <li>– The maximum bonus opportunity for Executive Directors will be 300% of salary. For target performance, the bonus payout will be 100% of salary</li> <li>– For bonus up to an equivalent of 200% of salary, Executive Directors are required to defer 50% of any bonus earned into shares, or ADS as appropriate, for three years. Any portion of the bonus earned in excess of 200% of salary must be deferred 100% on the same basis</li> </ul>	<ul style="list-style-type: none"> <li>– The additional opportunity of 100% is being introduced in the annual bonus to appropriately focus and reward executives to deliver and exceed our public ambitions and to secure strong performance for all our stakeholders</li> <li>– The additional opportunity would be deferred in full to ensure alignment with shareholders' interests</li> </ul>
<b>Non-Executive Directors' fees</b>	<ul style="list-style-type: none"> <li>– Authority is sought for a Non-Executive Director who is a member of the Science Committee to be remunerated up to £200,000 per annum for undertaking additional responsibilities on behalf of GSK and to support R&amp;D</li> <li>– The current requirement for Non-Executive Directors and the Chair to invest 25% of their net basic fees in shares or ADS of the company is retained, but the company may choose to replace this for the Chair or one or more Non-Executive Directors with a minimum share or ADS ownership requirement of at least one times their gross annual standard fee until their retirement from the Board. Shares or ADS previously acquired through investment of fees would continue to be held under those arrangements and would be delivered or released following retirement from the Board. Such shares or ADS would count towards any expected minimum ownership requirement</li> </ul>	<ul style="list-style-type: none"> <li>– To appropriately remunerate Non-Executive Directors for their work</li> <li>– If the company chooses to replace the current investment requirement, the minimum ownership requirement would continue to maintain a meaningful and prudent level of investment to align Non-Executive Directors' interests with shareholders</li> <li>– The ability to replace the current investment requirement would facilitate greater flexibility in operation of these arrangements</li> </ul>

# 2022 Remuneration policy report

Subject to shareholder approval on 4 May 2022 at GSK's Annual General Meeting, the Remuneration policy for each remuneration element will be as outlined in the table below.

## Future Policy Table

<p><b>Salary</b> No change</p>	To provide a core reward for the role. Set at a level appropriate to secure and retain high calibre individuals needed to deliver the Group's strategic priorities.
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### Operation

Individual's role, experience, performance and independently sourced data for relevant comparator groups considered when determining salary levels.

Salary increases typically take effect in the first quarter of each year.

Salaries are normally paid in the currency of the Executive Director's home country.

### Opportunity

There is no formal maximum limit and, ordinarily, salary increases will be broadly in line with the average increases for the wider GSK workforce.

However, increases may be higher to reflect a change in the scope of the individual's role, responsibilities or experience. Salary adjustments may also reflect wider market conditions in the geography in which the individual operates.

Details of current salary levels are set out in the Annual report on remuneration.

### Performance measures

The overall performance of the individual is a key consideration when determining salary increases.

<p><b>Benefits</b> No change</p>	Levels are set to recruit and retain high calibre individuals to execute the business strategy.
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### Operation

Executive Directors are eligible to receive benefits in line with the policy for other employees which may vary by location. These include, but are not limited to, car allowances, healthcare, life assurance/death in service (where not provided as part of the individual's pension arrangements), personal financial advice and contractual post-retirement benefits. In line with the policy for other employees, Executive Directors may be eligible to receive overseas relocation allowances and international transfer-related benefits when required. Executive Directors in the UK are also eligible to participate in all-employee share schemes (e.g. Share Save and Share Reward Plan), under which they are subject to the same terms as all other employees.

In order to recognise the high business travel requirements of the role, Executive Directors are also entitled to car travel and exceptionally may be accompanied by their spouse/partner on business trips. Other benefits include expenses incurred in the ordinary course of business, which are deemed to be taxable benefits on the individual.

Where an Executive Director is based outside the UK, but is required to travel to the UK to fulfil the responsibilities of their role and to attend Board Meetings, they may be subject to tax on their business travel expenses to and from the UK and on the provision of any accommodation in the UK. Although in reality it represents a business expense, the tax treatment requires that their travel and accommodation expenses are then included as benefits. Because of the business context, the tax liabilities will be covered by the company on a grossed-up basis.

Benefit provision is tailored to reflect market practice in the geography in which the Executive Director is based and different policies may apply if current or future Executive Directors are based in a different country.

### Opportunity

There is no formal maximum limit as benefits costs can fluctuate depending on changes in provider cost and individual circumstances.

Details of current benefits and costs are set out in the Annual report on remuneration.

### Performance measure

None

Future policy table continued

<p><b>Pension Change</b></p> <p>Pension arrangements provide a competitive level of retirement income.</p> <p><b>Operation</b> Pension arrangements are structured in accordance with the plans operated in the country in which the individual is likely to retire. Where the individual chooses not to become a member of the pension plan, cash in lieu of the relevant pension contribution is paid instead. Executive Directors in the UK are entitled either to join the defined contribution pension plan or to receive a cash payment in lieu of pension contribution.</p> <p>Where an individual is a member of a GSK legacy defined benefit plan, a defined contribution plan or an alternative pension plan arrangement and is subsequently appointed to the Board, he or she may remain a member of that plan.</p> <p><b>Opportunity</b> The policy for all current Executive Directors is:</p> <p><b>UK:</b></p> <ul style="list-style-type: none"> <li>– 20% of base salary contribution to defined contribution plan and further 5% in matched contributions subject to any relevant cap and in line with implementation principles for other members of the plan; and</li> <li>– 20% of base salary as a cash payment in lieu of pension contribution for the portion above the relevant cap;</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>– 20% of base salary as a cash payment in lieu of pension contribution.</li> </ul> <p>From 1 January 2023, any current UK Directors who are still in role will have their pension arrangements aligned to new Executive Directors' arrangements as follows.</p>	<p>Pension arrangements provide a competitive level of retirement income.</p> <p>Any new Executive Directors in the UK will receive from date of appointment:</p> <ul style="list-style-type: none"> <li>– 7% of base salary contribution to defined contribution plan and further 3% in matched contributions subject to any relevant cap and in line with implementation principles for other members of the plan; and</li> <li>– 7% of base salary as a cash payment in lieu of pension contribution for the portion above the relevant cap;</li> </ul> <p>or</p> <ul style="list-style-type: none"> <li>– 7% of base salary as a cash payment in lieu of pension contribution.</li> </ul> <p><b>US<sup>(1)</sup>:</b></p> <ul style="list-style-type: none"> <li>– Supplemental Cash Balance pension plan, providing annual contribution of 38% of base salary, less 5% of total base salary and bonus (net of the bonus deferred under the DABP)<sup>(3)</sup>.</li> <li>– GSK 401(k) plan<sup>(1)</sup> and the ESSP<sup>(1)</sup> with core contributions of 7% of salary and bonus<sup>(2)</sup> and matched contributions of 4% of salary and bonus<sup>(2)</sup>.</li> </ul> <p>From 1 January 2023, any current US Executive Directors who are still in role will have their pension arrangements aligned to new Executive Directors' arrangements as follows.</p> <p>Any new Executive Directors in the US will receive from date of appointment:</p> <ul style="list-style-type: none"> <li>– GSK 401(k) plan<sup>(1)</sup> and the ESSP<sup>(1)</sup> with core contributions of 7% of salary and bonus<sup>(2)</sup> and matched contributions of 4% of salary and bonus<sup>(2)</sup>.</li> </ul> <p><b>Global:</b></p> <ul style="list-style-type: none"> <li>– Eligible for appropriate equivalent arrangement not in excess of the US/UK arrangements.</li> </ul> <p><b>Performance measures</b></p> <p>None.</p> <p><small>(1) In the event of any change to the plans operated in the US, a similar treatment would be provided under any successor arrangements introduced within the market</small></p> <p><small>(2) Less bonus deferred under the DABP</small></p> <p><small>(3) The 5% offset is equal to the contribution to the 401(k) and ESSP which was moved from the pension plans, in line with the wider US workforce, from 1 January 2021</small></p>
<p><b>Annual bonus Change</b></p> <p><b>Operation</b> Financial, operational and business targets are set at the start of the year by the Committee and bonus levels are determined by the Committee based on performance against those targets.</p> <p>Strategic and operational measures are set at the start of the year by the Committee and performance against those measures is assessed by the Committee.</p> <p>Executive Directors are required to defer part of any bonus earned into shares, or ADS as appropriate, for three years. 50% of the equivalent of the first 200% of salary is deferred, and any portion in excess of 200% is deferred in full. Deferred bonus shares are eligible for dividend equivalents up to the date of vesting.</p>	<p>To incentivise and recognise execution of the business strategy on an annual basis. Rewards the achievement of stretching annual financial, strategic and operational measures.</p> <p>The Committee may adjust the formulaic vesting outcome (either up or down) to ensure that the overall outcome reflects underlying business performance over the vesting period. Clawback and/or malus provisions apply as described on page 147.</p> <p><b>Opportunity</b> The maximum bonus opportunity for Executive Directors is 300% of salary. Below 99% of target performance, the bonus payout on the financial measures will be nil. For target performance, the bonus payout will be 100% of salary.</p>

## 2022 Remuneration policy report continued

### Future policy table continued

#### Performance measures

Based on a combination of financial targets and individual/strategic and ESG performance objectives, with the majority of the bonus assessed against the financial measures. The weighting between different measures will be determined each year according to business priorities. Further details, including the measures to be used in the financial year, are provided in the Annual report on remuneration.

#### Selection of annual bonus measures

The annual bonus is designed to drive the achievement of GSK's annual financial, strategic and operational measures.

For this reason the majority of the annual bonus opportunity is based on a formal review of performance against stretching financial targets, with the remainder of the bonus subject to assessment of individual performance against the key strategic and operational measures which are aligned to the company's key objectives for that financial year and/or assessment of performance against ESG targets.

The annual bonus financial targets are set by reference to internal budget and external consensus targets.

#### Performance Share Plan (PSP) No change

To incentivise and recognise delivery of the longer term business priorities, financial growth and increases in shareholder value compared to other pharmaceutical companies. In addition, to provide alignment with shareholder interests, a retention element, to encourage long-term shareholding and discourage excessive risk taking.

#### Operation

Conditional awards are made annually with vesting dependent on the achievement of performance conditions over three years and are subject to an additional two-year holding period. PSP targets are set by reference to internal budget and external consensus targets.

Awards are eligible for dividend equivalents up to the date of vesting and release.

The Committee may adjust the formulaic vesting outcome (either up or down) to ensure that the overall outcome reflects underlying business performance over the vesting period.

Clawback and/or malus provisions apply as described on page 147.

#### Opportunity

The normal maximum award limits that may be granted under the PSP to an individual in any one year are set out in the table below:

	% of salary
CEO	600
CFO	400
Other Executive Directors	500

#### Performance measures

Based on a combination of financial, share price related and strategic and ESG performance conditions which are aligned to the company's strategic plan. For all measures, 25% of awards will vest at threshold performance. Further details, including the performance targets attached to the PSP in respect of each year, and the weightings of the targets for the 2022 PSP awards are provided in the Annual report on remuneration.

#### Selection of long-term incentive measures

The Committee selects performance measures which focus Executive Directors' long-term remuneration on the delivery of GSK's key strategic priorities over the longer term. In addition to setting robust targets, the Committee has implemented a number of safeguards to ensure the targets are met in a sustainable way and performance reflects genuine achievement against targets and therefore represents the delivery of value for shareholders.

For each performance measure, the impact of any acquisition or divestment will be quantified and adjusted for after the event.

Any major adjustment in the calculation of performance measures will be disclosed to shareholders on vesting.

The Audit & Risk Committee chair and other members, who are also members of the Remuneration Committee, provide input on the Audit & Risk Committee's review of the Group's performance and oversight of any risk factors relevant to remuneration decisions.

Details of the rationale behind the performance measures selected and how they are calculated are set out in the Annual report on remuneration.

#### Share Ownership Requirements No change

To align the interests of Executive Directors with those of shareholders, they are required to build and maintain significant holdings of shares in GSK over time. The requirements for each Executive Director are as follows:

	% salary
CEO	650
Other Executive Directors	300

As a minimum, Executive Directors are required to maintain 100% of their share ownership requirements to the end of the first year following retirement from the company and 50% to the end of the second year.

Future policy table continued

Clawback and malus	No change
<p>In the event of a 'triggering event' (i.e. significant misconduct by way of violation of regulation, law, a significant GSK policy, such as the Code of Conduct, or a material misstatement of results, or serious reputational damage), the company will have the ability to claw back up to three years' annual and deferred bonuses as well as vested and unvested LTIs. In addition, in respect of PSP awards made from 2020, if a participant is subject to an investigation, then the vesting of their awards may be delayed until the outcome of that investigation.</p> <p>A separate Recoupment Committee has been established to investigate relevant claims of misconduct. The Recoupment Committee exercises this authority for the wider employee base. It comprises of senior executives with relevant oversight and appropriate experience, including the Senior Vice President, Chief Compliance Officer, and the Senior Vice President and Group General Counsel, Legal and Compliance.</p>	<p>In respect of each financial year, the Remuneration Committee will disclose whether it (or the Recoupment Committee) has exercised clawback or malus. Disclosure will only be made when the matter has been subject to 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.</p> <p>Additionally, where there has been continuity of responsibility between initiation of an adverse event and its emergence as a problem, the adverse event should be taken into account in assessing annual bonus awards and LTI vesting levels in the year the problem is identified and for future periods. The Remuneration Committee (or Recoupment Committee) may make appropriate adjustments to individual annual bonuses as well as grant and vesting levels of LTI awards to reflect this.</p>

Approach to recruitment remuneration	No change
<p>The Committee determines the remuneration package of new Executive Directors on a case-by-case basis depending on the role, the market from which they will operate and their experience. Total remuneration levels will be set by reference to a relevant pay comparator group and, where appropriate, will allow for future development in the role.</p> <p>It is expected that new Executive Directors will participate in short and long-term incentive plans on the same basis as existing directors. However, in exceptional circumstances, the Committee reserves the flexibility to set the incentive limit for a new Executive Director at up to an additional 50% of the existing limits.</p> <p>The Committee retains this flexibility in recognition of the high levels of variable pay in GSK's global pharmaceutical competitors. However, the Committee will only use this flexibility when it is considered to be in the best interests of the company and its investors.</p> <p>Pension arrangements for any external recruit as an Executive Director will be as set out in the Remuneration policy table on page 145.</p> <p>Other benefits will be provided in line with the policy for existing Executive Directors.</p> <p>Where required to meet business needs, relocation support will be provided in line with company policy.</p>	<p>For any internal appointments, entitlements under existing remuneration elements will continue, including pension entitlements and any outstanding awards. However, where not already the case, internal appointments will be required to move to Executive Director contractual terms, including termination provisions.</p> <p>The Committee is mindful of the sensitivity relating to recruitment packages and, in particular, the 'buying out' of rights relating to previous employment. It will therefore seek to minimise such arrangements. However, in certain circumstances, to enable the recruitment of exceptional talent, the Committee may determine that such arrangements are in the best interests of the company and its shareholders. Such arrangements will, where possible, be on a like-for-like basis with the forfeited remuneration terms. Arrangements will therefore vary depending on the plans and arrangements put in place by the previous employer and may be in the form of cash or shares and may or may not be subject to performance conditions. Explanations will be provided where payments are made as compensation for previous remuneration forfeited.</p> <p>The remuneration arrangements for any newly appointed Executive Director will be disclosed as soon as practicable after the appointment.</p>

## 2022 Remuneration policy report continued

### Future policy table continued

Loss of office payment policy	No change
<p>The company does not have a policy of fixed term contracts. Generally, contracts for new appointments will expire in line with the applicable policy on retirement age, which since 2009 has been 65.</p> <p>Contracts for existing Executive Directors will expire on the dates shown on page 138.</p>	<p>Notice period on termination by the employing company or the Executive Director is 12 calendar months.</p> <p>The ability to impose a 12-month non-compete period (and a non-solicitation restriction) on an Executive Director is considered important by the company to have the ability to protect the Group's intellectual property and staff. In light of this, the Committee believes that it would not be appropriate to provide for mitigation in the contracts.</p>

### Termination of employment

In the event that an Executive Director's employment with the company terminates, the following policies and payments will apply.

Element of Remuneration	Loss of office payment policy
<b>Termination payment</b>	<p><b>Termination by notice:</b> 12 months' annual salary payable on termination by the company (pro-rated where part of the notice period is worked). No termination payment is made in respect of any part of a notice period that extends beyond the contract expiry date.</p> <p>A bonus element is not normally included in the termination payment. However, the terms of the contracts seek to balance commercial imperatives and best practice.</p> <p><b>Redundancy:</b> As above, for termination by notice. In the UK, only statutory redundancy pay will apply. In the US, general severance policy does not apply.</p> <p><b>Retirement, death and ill-health, injury or disability:</b> No termination payment.</p>
<b>LTI awards</b>	<p>PSP awards are governed by the plan rules as approved by shareholders.</p> <p>The following provisions will normally apply:</p> <p><b>Termination by notice:</b> Unvested awards will lapse.</p> <p><b>Redundancy, retirement, death, ill-health, injury, disability or any other reason:</b> Generally, awards will continue to vest over the original timescales subject to performance and pro-rated for time.</p> <p>In the event of a change of control, PSP awards will vest, taking into account performance to date and normally taking into account the proportion of the performance period that has elapsed. Alternatively, the awards may be exchanged for new awards.</p>
<b>Annual bonus</b>	<p><b>Termination by notice by individual:</b> If an individual serves notice and the termination date falls before 31 December, the bonus is forfeited.</p> <p><b>Termination by notice by the company, redundancy, retirement, death, ill-health, injury or disability:</b> If the termination date falls during the financial year, eligible for pro-rated on-target bonus (if employed on 31 December, bonus payable based on actual results).</p>
<b>Mandatorily deferred bonus under the DABP</b>	<p>DABP deferred bonus awards in respect of mandatorily deferred bonus amounts are governed by the plan rules as approved by shareholders. The following provisions will normally apply:</p> <p><b>Termination for gross misconduct:</b> Generally, unvested awards will lapse</p> <p><b>Any other reason:</b> Generally, awards will vest in full on the original vesting date.</p> <p>In the event of a change of control, awards will vest or may be exchanged for new awards.</p>
<b>Pensions</b>	<p>Pension scheme contributions by the individual and the company, and any pension scheme benefit accruals, generally cease at the termination date in accordance with pension scheme rules. Access to pension scheme benefits is governed by the pension scheme rules and country legislation.</p>
<b>Benefits</b>	<p>Generally, benefits will continue to apply until the termination date. The Committee may make payments in connection with an existing legal obligation or in respect of any claim related to the cessation of employment. This may include fees for outplacement assistance, legal and/or professional advice.</p> <p><b>Termination by notice by the company and retirement (US executives):</b> In line with the policy applicable to US senior executives, they may become eligible, at a future date, to receive continuing medical and dental insurance after termination/retirement.</p>

### Termination by mutual agreement

In certain circumstances, it can be in the best interests of the company for the Board to manage proactively succession planning and the development of the senior talent pipeline. In such circumstances, the Board may therefore agree that an Executive's departure will be by mutual agreement. In order for this to apply, the Committee will need to be satisfied that the Executive has demonstrated performance in line with expectations and where required they should have contributed to an orderly succession. In the case of an Executive Director, they would then be treated as a 'good leaver' for the purposes of GSK's long-term incentive plans. If the termination date falls during the financial year, they would be eligible for a pro-rated on-target bonus and if they are employed on 31 December, the bonus payable would be based on actual results.

## 2022 Remuneration policy report continued

### Loss of office payment policy continued

The Committee does not anticipate the exercise of discretion provided by the PSP and DABP plan rules in respect of termination payments in a manner which would benefit an Executive Director. However, there may be unforeseen circumstances where this is in the best interests of the company and its shareholders. Where it is necessary to exercise discretion, explanations will be provided.

Where an Executive Director leaves the company, the Committee will carry out an assessment of the individual's performance and conduct over the time in role. If it is determined that the individual's performance or conduct was contrary to the legitimate expectations of the company, the Committee reserves the right to apply appropriate mechanisms such as clawback or reduction or lapsing of outstanding incentive awards (malus), to ensure that any termination payments are in the best interests of the company and its shareholders (see page 147).

## Differences between remuneration policy for Executive Directors and other employees

When setting remuneration for the Executive Directors, the Committee considers the company's strategic priorities, prevailing market conditions for global talent, the competitive environment (through comparison with the remuneration of executives at companies of similar size, complexity and international reach) and the positioning and relativities of pay and employment conditions across the broader GSK workforce.

In particular, the Committee considers the range of base salary rises for the workforces of those parts of GSK where the Executive Directors are employed. This is considered to be the most relevant comparison as these populations reflect most closely the economic environments encountered by the individuals.

The same principles apply to the Remuneration policy for Executive Directors and other employees although the remuneration offered to Executive Directors under this policy has a stronger emphasis on performance-related pay than that offered to other employees of the Group.

- Salary and benefits (including pension) are tailored to the local market.
- The annual bonus plan applies to the wider employee population and is based on business performance.
- A combination of performance-related and restricted share plans apply to the wider employee population.
- All-employee share plans are available to employees in the UK, including the HM Revenue & Customs approved UK Share Save and Share Reward Plans.

While employees are not directly consulted in respect of the Remuneration policy, Urs Rohner, the Committee Chair, meets with senior HR representatives from across the business to review employee feedback. Dame Vivienne Cox, an Independent Non-Executive Director, engages with employees on various topics, including remuneration, in her role as Workforce Engagement Director. Board members engage with employees around during Board meetings where they are encouraged to share their views on the company, management and remuneration.

In the wider organisation, we have aligned our performance and reward systems with our Innovation, Performance and Trust priorities and a culture anchored in purpose and performance. Our performance system evaluates employees on both 'what' they need to do and 'how' they do it. Also, for our most senior people we disincentivise unethical working practices using a clawback mechanism that allows us to recover performance-related pay.

## Scenarios for future total remuneration

The charts opposite provide illustrations of the future total remuneration for each of the Executive Directors in respect of the remuneration opportunity granted to each of them in 2022 under the proposed 2022 Remuneration policy. A range of potential outcomes is provided for each Executive Director and the underlying assumptions are set out below.

### All scenarios:

- 2022 base salary has been used.
- 2021 benefits figures have been used, ie. based on actual amounts received in 2021.
- Pensions for Emma Walmsley and Iain Mackay are based upon their 2022 salaries.
- The amounts shown under value of PSP awards are based upon the relevant multiples for 2022. They do not include amounts in respect of dividends reinvested and do not factor in changes in share price over the vesting period (except as described below).

### Fixed:

- Includes base salary, pension and benefits. Excludes Pay for performance, ie. no Annual bonus would be paid and PSP awards would not vest.

### Expected:

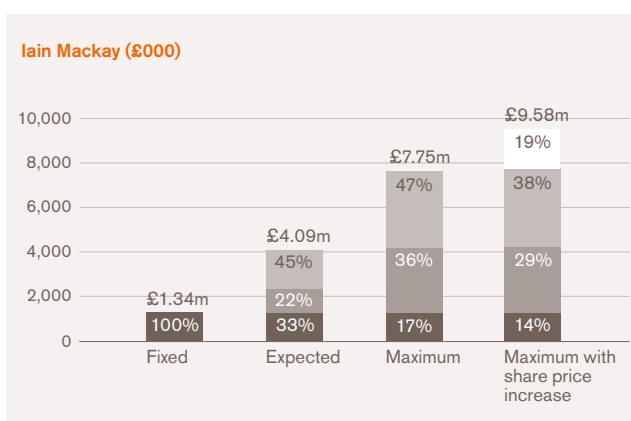
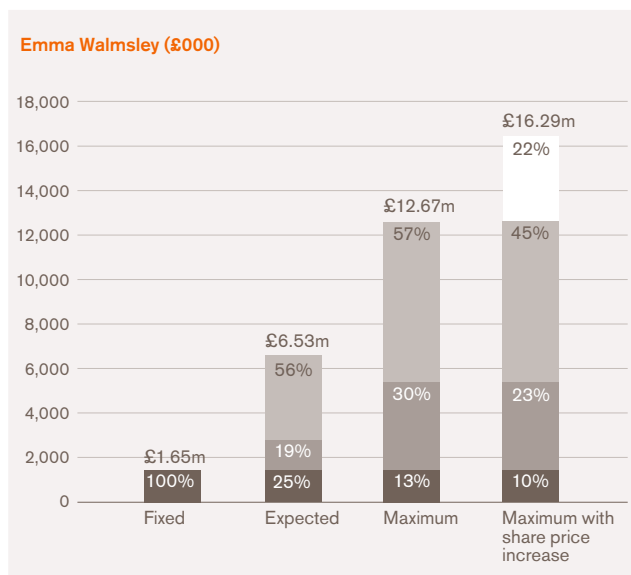
- Includes Fixed pay.
- For the Annual bonus, it is assumed that target performance is achieved.
- For PSP awards, amounts reflect 50% vesting levels.

### Maximum:

- It is assumed that the Annual bonus would be payable at the maximum level (i.e. 300%) and that the awards under the PSP would vest in full.

### Maximum with 50% share price increase:

- All elements are the same as Maximum but assuming a 50% increase in share price.



■ Fixed pay ■ Annual bonus ■ PSP □ 50% share price increase



## Non-Executive Director remuneration policy 2022

Non-Executive Directors' fees			Change
Element	Purpose and link to strategy	Operation	
<b>Chair's fees</b>	To provide an inclusive flat rate fee that is competitive with those paid by other companies of equivalent size and complexity subject to the limits contained in GSK's Articles of Association.	There is no formal maximum. However, fees are reviewed annually and set by reference to a review of the Chair's performance and independently sourced market data.  The Committee is responsible for evaluating and making recommendations to the Board on the fees payable to the Chair. The Chair does not participate in discussions in respect of their fees.	
<b>Basic fees</b>	As above	There is no formal maximum. As with the Chair, fees are reviewed annually and set by reference to independently sourced data.  The Chair and CEO are responsible for evaluating and making recommendations to the Board on the fees payable to the company's Non-Executive Directors.	
<b>Fee payment</b>	Alignment with shareholders	Fees are paid in cash. Non-Executive Directors (including the Chair) are required to invest at least 25% of their total net fees in shares or ADS of the company, but the company may choose to replace this with an ownership requirement to hold shares or ADS with an aggregate value at or above one times their gross annual standard fee until their retirement from the Board. If the current investment requirement is replaced with this ownership requirement, shares or ADS previously acquired through investment of fees would continue to be held under those arrangements and would be delivered or released following retirement from the Board. Such shares or ADS would count towards any minimum ownership requirement.	
<b>Supplemental fees</b>	To compensate Non-Executive Directors (other than the Chair) for taking on additional Board responsibilities or undertaking intercontinental travel.	Additional fees for the Senior Independent Director, Committee Chairs, Science and Medical Experts, the Workforce Engagement Director role and intercontinental travel.  The company has the authority to pay an additional fee, up to the equivalent of the Committee Chair supplement to a Non-Executive Director, should the company require significant additional time commitment in exceptional or unforeseen circumstances.  The company has the authority to pay an additional fee of up to £200,000 to Non-Executive Directors (excluding the Chair) who are members of the Science Committee for undertaking additional responsibilities on behalf of GSK and to support R&D.	
<b>Benefits</b>	To facilitate execution of responsibilities and duties required by the role.	Travel and subsistence costs for Non-Executive Directors are incurred in the normal course of business in relation to meetings on Board and Committee matters and other GSK-hosted events. For overseas-based Non-Executive Directors, this includes travel to meetings in the UK. In the event it is necessary for business purposes, whilst not normal practice, Non-Executive Directors may be accompanied by their spouse or partner to these meetings or events. The costs associated with the above are all met by the company and, in some instances, they are deemed to be taxable and therefore treated as benefits for the Non-Executive Director.	

### Approach to recruitment remuneration

No change

The following policy and principles apply to the roles of Chair and Non-Executive Director. It seeks to ensure alignment with shareholders through the requirement to invest in company shares and ADS.

#### Chair

Fees will be set at a level that is competitive with those paid by other companies of equivalent size and complexity. Fees will be paid partly in shares.

#### Non-Executive Directors

Fee levels for new Non-Executive Directors will be set on the same basis as for existing Non-Executive Directors of the company, subject to local laws and regulations.

In the event of a Non-Executive Director with a different role and responsibilities being appointed, fee levels will be benchmarked and set by reference to comparable roles in companies of equivalent size and complexity.

### Loss of office

No change

The Chair and other Non-Executive Directors are not entitled to receive any payments in respect of fees for loss of office when they retire or step down from the Board.

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## Operation and scope of Remuneration policy

The Remuneration policy (Policy) is set out on pages 144 to 152 of the 2021 Annual Report and it is intended that the Policy for GSK's Executive and Non-Executive Directors will operate for a period of three years from the date of approval at the company's Annual General Meeting on 4 May 2022.

The Committee wrote the Policy principally in relation to the remuneration arrangements for the Executive Directors, whilst taking into account the possible recruitment of a replacement or an additional Executive Director during the operation of the Policy. The Committee intends the Policy to operate for the period set out above in its entirety. However, it may after due consideration seek to change the Policy during this period, but only if it believes it is appropriate to do so for the long-term success of the company, after consultation with shareholders and having sought shareholder approval at a general meeting.

The Committee reserves the right to make any remuneration payments and/or payments for loss of office (including exercising any discretions available to it in connection with such payments) notwithstanding that they are not in line with the Policy where the terms of the payment were agreed:

(i) before the AGM on 7 May 2014 (the date the company's first shareholder-approved Directors' remuneration policy came into effect);

(ii) before the Policy came into effect, provided that the terms of the payment were consistent with the shareholder-approved Remuneration policy in force at the time they were agreed; or

(iii) at a time when the relevant individual was not a Director of the company and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the company. For these purposes 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares or ADS, the terms of the payment are 'agreed' at the time the award is granted.

Performance Share Plan (PSP) awards are subject to the terms of the PSP plan rules under which the award has been granted. The Committee may adjust or amend awards only in accordance with the provisions of the plan rules. This includes making adjustments to reflect one-off corporate events, such as a change in the company's capital structure.

The Committee may also make minor amendments to the Policy (for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation) without obtaining shareholder approval for such amendments.

### Statement of consideration of shareholder views

The Committee engages in regular dialogue with shareholders and holds annual meetings with GSK's largest investors to discuss and take feedback on its Remuneration policy practices and governance matters.

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## Basis of preparation

The Annual report on remuneration has been prepared in accordance with the Companies Act 2006 and The Large and Medium-sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2013 (the Regulations). In accordance with the Regulations, the following parts of the Annual report on remuneration are subject to audit: total remuneration figures for Executive Directors including further details for each element of remuneration (salary, benefits, pension, annual bonus and long-term incentive awards); Non-Executive Directors' fees and emoluments received in the year; Directors' interests in shares, including interests in GSK share plans; payments to past Directors; payments for loss of office; and share ownership requirements and holdings, for which the opinion thereon is expressed on page 164. The remaining sections of the Annual report on remuneration are not subject to audit nor are the pages referred to from within the audited sections.

The Annual report on remuneration has been approved by the Board of Directors and signed on its behalf by:

**Urs Rohner**  
Remuneration Committee Chair

28 February 2022