



GSK UK Ethnicity Pay Gap report: 2023

Our 2023 UK Ethnicity Pay Gap data

A highly talented and diverse team is essential to help us to get ahead of disease together, so we can prevent and change the course of disease for millions more people. By embracing diversity, we better meet patients' unique needs and improve health outcomes for all. At GSK, we're creating an inclusive environment where people feel welcome, valued, included, and supported to thrive. We prioritise equal employment opportunities, ensuring our leaders reflect GSK people and the communities we work in.



As part of our vision as an equal opportunity employer, we are committed to becoming a leader in diversity, recognising that companies with proportionate diversity see higher levels of performance. We have been working towards an aspiration of our ethnically diverse VP and above representation reaching 18% in the UK by 2025. We have made tremendous progress on that journey and have already achieved 18.4% by the end of 2023. Having diverse representation among our leadership has a positive impact on our average ethnicity pay gap.

For 2023, our UK ethnicity pay gap comparing the average pay of our White and Ethnically Diverse employees is -0.74%*, reflecting a slight pay gap in favour of our Ethnically Diverse employees. This compares to equivalent data which we reported for the first time in 2022 (ahead of the government guidance) when our mean UK ethnicity pay gap was 0.06%. Within our 2023 UK ethnicity pay gap report we're also sharing the pay gap comparing the average pay of our White employees with those in the ethnic groupings of Black, Mixed, Asian, and Other. This is with reference to the UK government's recently published guidance to provide a more granular view.

Julie Brown
Chief Financial Officer

Diana Conrad
Chief People Officer

*Our GSK UK ethnicity pay gap as outlined in this report is determined using data for all permanent employees in the UK. This is provided in addition to the legal entity breakdown required by the UK government when reporting the gender pay gap (which is shown on pages 3 and 4 of this report).

Ethnicity pay gap explained

An ethnicity pay gap isn't the same as unequal pay. A pay gap is the description given to the difference in average pay of groups across an organisation, regardless of role or level. Our ethnicity pay gap data shows the difference in pay of White and Ethnically Diverse employees. Plus, a more granular breakdown comparing the pay of white employees with that of those in the ethnic groupings of Black, Mixed, Asian, and Other. Reporting a positive pay gap means white employees, on average are paid more than those in ethnically diverse groupings. Reporting a negative pay gap means those in ethnically diverse groups are paid more than white employees, on average. Equal pay is different and is a direct comparison between individuals. Equal pay considers whether someone is paid comparatively to others doing the same or an equivalent job, regardless of their ethnicity. Unequal pay is unlawful.

GSK UK workforce distribution



Our distribution is based on 87.3% disclosure. Of those who have not disclosed 3.2% prefer not to say, 9.5% are unknown.

GSK UK Ethnicity Pay Gap

Comparing the pay of our White and Ethnically Diverse employees

Mean		Median	
2023	2022	2023	2022
-0.74%	0.06%	-13.14%	-12.25%

The mean and median UK ethnicity pay gap data for all permanent UK employees favours our Ethnically Diverse employees.



GSK UK pay quartiles

To provide transparency and insights into the distribution of earnings among our employees, we divide our UK workforce, based on disclosed ethnicity*, into four equal quartiles: Lower, Lower middle, Upper middle, and Upper. The proportion of employees in each quartile demonstrates the distribution of earnings between our White and Ethnically Diverse employees.

	Lower		Lower middle		Upper middle		Upper	
	2023	2022	2023	2022	2023	2022	2023	2022
Ethnically diverse	17.59%	16.06%	16.91%	16.21%	22.87%	21.60%	20.54%	18.67%
White	82.41%	83.94%	83.09%	83.79%	77.13%	78.40%	79.46%	81.33%

*318 of our total UK workforce of 9,952 have indicated that they prefer not to disclose their ethnicity, while 944 have not yet disclosed. We continue to work to encourage further self-id to provide a more robust pay gap calculation.

We are pleased to observe higher representation of Ethnically Diverse employees in the upper middle and upper pay quartiles. This positively influences the overall mean and median pay gap at GSK. However, at the most senior VP level, we still face challenges in achieving proportional ethnic representation, which particularly impacts our bonus gap, as detailed below.

GSK UK Ethnicity Bonus Gap (includes long-term incentives and recognition)

All our permanent employees in the UK are eligible for an annual bonus.

Mean		Median	
2023	2022	2023	2022
20.38%	18.71%	-10.20%	-20.96%

Similar to 2022, our mean bonus gap favours our White employees, while the median bonus gap favours our Ethnically Diverse employees. The mean bonus gap is closely correlated with representation at the most senior levels, where bonuses and long-term incentives significantly contribute to the total compensation package.

The slight increase in our mean bonus gap from 2022 to 2023 can be attributed to higher bonus levels paid during the reporting year. The progress we made by the end of 2023 to increase our ethnic diversity at the VP level and above to 18.4% is expected to positively influence our bonus gap in the future.

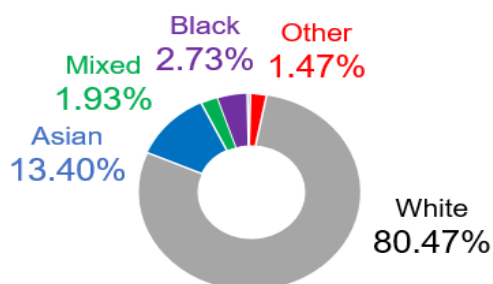
Additional data

In addition to the voluntary disclosure of pay gap data for our total permanent UK workforce, we have chosen to provide further insights by sharing our UK ethnicity pay gap data by ethnic grouping. The following page presents the pay gap, pay quartile, and bonus gap data for the ethnic groupings of Black, Mixed, Asian, and Other, allowing for a more comprehensive understanding.



GSK UK Pay Gap data by ethnic grouping

GSK UK workforce distribution



GSK UK ethnicity pay gaps

Black	Mean	Median	Mixed	Mean	Median
	2023	2023		2023	2023
	8.7%	-1.1%		2.3%	-5.7%
Asian	Mean	Median	Other	Mean	Median
	2023	2023		2023	2023
	-1.6%	-15.9%		-14.6%	-23.5%

When we look further into the GSK UK data, at the median we have pay gaps which favour all four of the ethnic groupings. At the mean we have pay gaps in favour our Asian and Other employees, and our White employees when compared with those in the Black and Mixed ethnic groupings.

Pay gaps are heavily influenced by representation. In 2023 we have made significant progress in increasing the number of Ethnically Diverse leaders and cultivating robust talent pipelines, although we acknowledge the need for further improvement. Despite these pay gaps, we are confident our employees are paid fairly and competitively based on the work they perform

GSK UK Pay Quartiles

We are proud to observe comparatively higher representation of Ethnically Diverse employees in the upper middle and upper pay quartiles at GSK. This positive trend has a direct impact on the overall mean and median pay gap. However, we recognize that at our most senior VP population, we have comparatively lower levels of ethnic representation. This disparity particularly impacts our bonus gap, as demonstrated below.

Ethnic Grouping	% of pop.	Lower	Lower middle	Upper middle	Upper
		2023	2023	2023	2023
Black	2.73%	3.41%	2.06%	3.37%	2.07%
Mixed	1.93%	2.23%	1.55%	2.16%	1.80%
Asian	13.40%	10.91%	12.22%	15.59%	14.69%
Other	1.47%	1.04%	1.08%	1.75%	1.98%
White	80.47%	82.41%	83.09%	77.13%	79.46%

GSK UK Bonus Gap

Black:	Mean	Median	Mixed:	Mean	Median	Asian:	Mean	Median	Other:	Mean	Median
	2023	2023		2023	2023		2023	2023		2023	2023
	36.5%	12.1%		22.8%	1.2%		19.8%	-15.6%		-6.9%	-21.6%

The impact of representation can again be seen on our bonus gap. We have comparatively higher numbers of employees identifying as Other in our Upper and Upper Middle pay quartiles which is driving a mean and median bonus gap in favour of this group. Our Asian employees are also well represented in these Upper pay quartiles leading to a favourable median bonus gap.

Representation in the Upper pay quartile of our Black and Mixed employees is lower than their overall population size, and at the same time there is a higher proportion of employees in the Lower pay quartile. Our continued progress in increasing diversity at the more senior level will have a positive impact on these bonus gaps as bonuses and long-term incentives significantly contribute to the total compensation package.

Note: The bonus gap is based on actual payments received with the pro-rating of bonus calculation for part-time workers.