New GSK: new ambitions for patients, shareholders and our people

Emma Walmsley, CEO
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A number of adjusted measures are used to report the performance of our business, which are non-IFRS measures. These measures are defined and reconciliations to the nearest IFRS measure are available in our third quarter 2021 earnings release and Annual Report on Form 20-F for FY 2020.

All outlooks, ambitions, expectations and targets regarding future performance and the dividend should be read together with the section “Outlook, assumptions and cautionary statements” on pages 60 and 62 of our third quarter 2021 earnings release and the “Basis of preparation, assumptions and cautionary statements” section set out on pages 5-7 of our stock exchange announcement relating to an update to investors dated 23 June 2021.
New GSK: new ambitions for patients, shareholders and our people

More than 5% sales and 10% adjusted operating profit CAGR 2021-26
Progressive dividend policy

Pipeline-driven growth to more than £33bn sales by 2031

Prioritise Vaccines and Specialty Medicines, maximise scientific opportunities in prevention and treatment

Optimised General Medicines portfolio for profitability and cash

Strengthened balance sheet to support investment in growth

Operate sustainably with leading ESG performance
Positively impact health of more than 2.5 bn people in next 10 years
Delivering major strategic transformation and cultural change

2017 focus areas

- R&D pipeline and productivity
- Commercial execution, portfolio focus, cost discipline
- Group structure and capital allocation
- Culture and talent

Today

- Improved performance whilst investing in R&D
- Strengthened R&D and pipeline
- Optimised product portfolio and network
- Created new world leader in Consumer Healthcare
- Transformed commercial execution
- Leading ESG performance and new culture progress
Significant scale of change and delivery since 2017

**Improved performance whilst investing in R&D**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2020</th>
<th>9M 2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>£30.2bn</td>
<td>£34.1bn</td>
<td>£24.6bn</td>
</tr>
<tr>
<td>Adj OP</td>
<td>£8.6bn</td>
<td>£8.9bn</td>
<td>£6.9bn</td>
</tr>
<tr>
<td>Op cash flow(^1)</td>
<td>£8.3bn</td>
<td>£10.1bn</td>
<td>£4.2bn</td>
</tr>
<tr>
<td>R&amp;D(^2)</td>
<td>£3.9bn</td>
<td>£4.6bn</td>
<td>£2.5bn</td>
</tr>
</tbody>
</table>

**Strengthened R&D and pipeline**

- 13 approvals since 2017 - top quartile
- R&D spend per launch
- Median PYS\(^3\) per launch
- 95% success rate (P3/pivotal)
- Strong pipeline: 63 vaccines and medicines. 23 in pivotal studies

**Transformed commercial execution**

- £10bn annual new and specialty sales
- Industry-leading launch from Shingrix
- Trelegy and two-drug regimens >£1bn
- Driving inflection points in mid-cycle medicines and vaccines

**Optimised product portfolio and network (new GSK)**

- 44% to 60% sales in Vaccine & Specialty
- 28% reduction in manufacturing sites
- On track for £1.5bn annual cost savings
- £1.4bn divestments \(^4\)

**Created new world leader in Consumer Healthcare**

- 2020 £10bn sales, 4% sales growth \(^5\)
- Two integrations completed to deliver >£1bn in annual cost savings
- Transformed portfolio. £4bn divestments
- 25% increase in adjusted operating profit

**Leading ESG performance and new culture progress**

- Global health, I&D, environment
- Top 125: 85% new in role since 2017, 31% external, 39% women; Science Top Employer
- Record levels of employee engagement
- New incentive scheme

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1. Op cash flow: Cash generated from operations
2. Adjusted R&D spend
3. Peak year sales
4. Divestment proceeds are stated on pre-tax basis
5. Consumer Health sales growth is CER on a pro forma basis and excludes brands divested / under review.
Ready to separate, unlock the potential of both new businesses and maximise shareholder value

2017-2021

- Improved performance whilst investing in R&D
- Strengthened R&D and pipeline
- Optimised product portfolio and network
- Created new world leader in Consumer Healthcare
- Transformed commercial execution
- Leading ESG performance and new culture progress

New GSK

New Consumer Healthcare
# New world leader in Consumer Healthcare

<table>
<thead>
<tr>
<th>#1</th>
<th>£10bn</th>
<th>+4%</th>
<th>22.1%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Consumer Healthcare player globally</td>
<td>Annual 2020 Net Sales¹</td>
<td>Net sales growth 2020²</td>
<td>2020 Operating Margin³</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>5</th>
<th>20</th>
<th>c.100</th>
<th>23k</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global categories with #1 position⁴</td>
<td>Consumer Healthcare brands &gt;£100m sales</td>
<td>Markets served</td>
<td>Employees globally⁵</td>
</tr>
</tbody>
</table>

Separation on track for mid 2022

Objectives

Unlock potential in New GSK and New Consumer Healthcare

Strengthen New GSK balance sheet

Maximise shareholder value

Mechanism for separation

GSK 68% ownership:

- At least 80% demerged mid 2022
- Monetise up to 20% retained to strengthen New GSK balance sheet

Intended to be tax efficient compared to alternative separation options
New GSK

We prevent and treat disease with vaccines, specialty and general medicines. R&D focused on the science of the immune system, human genetics and advanced technologies to impact health at scale. We operate responsibly for all our stakeholders prioritising innovation, performance and trust.

<table>
<thead>
<tr>
<th>Purpose</th>
<th>We unite science, talent and technology to get ahead of disease together</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>Strategy</th>
<th>Health impact + Shareholder returns + Thriving people</th>
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<td></td>
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</table>

| Culture | With ambition, accountability and responsibility |
New commitments to growth

2021-26

- More than 5% sales CAGR
- More than 10% adjusted operating profit CAGR

2031

- More than £33bn sales ambition

With metrics and incentives strongly aligned to shareholder value creation

All outlooks, targets, ambitions and expectations regarding future performance and the dividend should be read together with the section “Basis of preparation, assumptions and cautionary statements” on pages 5-7 of our stock exchange announcement relating to an update to investors dated 23 June 2021 and the “Outlook, assumptions and cautionary statements” on pages 60 and 62 of our third quarter 2021 earnings release. All outlook and ambition statements are given on a constant currency basis and use 2021 forecast exchange rates as a base, assuming a continuation of Q1 2021 closing rates. CAGR is for the 5 years to 2026, using 2021 as the base year. Pipeline sales are risk-adjusted and include anticipated sales of new products and Life Cycle Innovation (LCI) launched from 2021 onwards. Note: COVID therapeutic and vaccine solutions are excluded from the above.
Investing to drive a step-change in growth and business mix

2021-26 sales growth CAGR

**Vaccines**: high single-digit %

**Specialty Medicines**: double-digit %

**General Medicines**: broadly stable

**Changing sales mix**

Illustrative

<table>
<thead>
<tr>
<th>Year</th>
<th>Vaccines</th>
<th>Specialty Medicines</th>
<th>General Medicines</th>
</tr>
</thead>
<tbody>
<tr>
<td>2017</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2021</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2026</td>
<td></td>
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Maximising opportunities in prevention and treatment

Increasing number of synergies across prevention and treatment...

- Immune dysfunction contributes to pathophysiology of many diseases with scientific understanding rapidly evolving
- Convergence of modalities to prevent and treat disease

...provides significant opportunity and advantage for New GSK

- R&D focus on the science of immune system, human genetics and advanced technologies
- World leader in infectious diseases
- One capital allocation process
- Integrated Development and Commercial
- Unrivalled suite of platform technologies
- Attractive portfolio offering to payors

Vaccines and Specialty Medicines
Vaccines and Specialty high potential late-stage opportunities add to current growth drivers in key therapeutic areas

1. Cabotegravir PrEP  
2. Tesaro asset  
3. 1st line OC combination + NSCLC and breast  
4. Multiple Myeloma earlier lines  
5. 1st line EC  
# 2021 late-stage pipeline news

Continued progress across medicines

<table>
<thead>
<tr>
<th>Infectious Diseases</th>
<th><strong>Shingrix</strong></th>
<th>Herpes zoster, immunocompromised</th>
<th>Approval (US)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Priorix</strong></td>
<td>Measles, mumps and rubella</td>
<td>Regulatory submission (US)</td>
<td></td>
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<tr>
<td><strong>Menveo</strong></td>
<td>Liquid version</td>
<td>Regulatory submission (US)</td>
<td></td>
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<tr>
<td><strong>Xevudy</strong></td>
<td>COVID-19</td>
<td>Emergency Use Authorization (US)Approval (EU)</td>
<td></td>
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<tr>
<td><strong>Medicago</strong></td>
<td>COVID-19</td>
<td>Primary endpoint met</td>
<td></td>
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<table>
<thead>
<tr>
<th>HIV</th>
<th><strong>Triumeq</strong></th>
<th>HIV, paediatric dispersible tablet</th>
<th>Regulatory submission (US)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Cabenuva</strong></td>
<td>HIV</td>
<td>Approval (US)</td>
<td></td>
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<tr>
<td><strong>Apretude</strong></td>
<td>HIV prevention</td>
<td>Approval (US)</td>
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<thead>
<tr>
<th>Oncology</th>
<th><strong>Jemperli</strong></th>
<th>Recurrent or advanced endometrial cancer</th>
<th>Accelerated approval (US)Approval (EU)</th>
</tr>
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<table>
<thead>
<tr>
<th>Immunology / Respiratory</th>
<th><strong>Benlysta</strong></th>
<th>Systemic lupus erythematosus, lupus nephritis</th>
<th>Approval (EU)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nucala</strong></td>
<td>Chronic rhinosinusitis with nasal polyps</td>
<td>Approval (US)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Hypereosinophilic syndrome</td>
<td>Approval (EU)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Eosinophilic granulomatosis with polyangiitis</td>
<td>Approval (EU)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Chronic rhinosinusitis with nasal polyps</td>
<td>Approval (EU)</td>
<td></td>
</tr>
</tbody>
</table>

| Opportunity driven      | **daprodustat** | Anaemia due to chronic kidney disease | ASCEND phase III programme, primary endpoints met |

1. Tesaro asset.
## Upcoming select late-stage R&D milestones

<table>
<thead>
<tr>
<th>H1 2022</th>
<th>H2 2022</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Regulatory decisions</strong></td>
<td><strong>Regulatory submissions</strong></td>
</tr>
<tr>
<td>Cabenuva (8 weekly dosing)</td>
<td><em>Rotarix</em> (liquid US)</td>
</tr>
<tr>
<td></td>
<td><em>daprodustat</em> - ASCEND (anaemia due to chronic kidney disease)</td>
</tr>
<tr>
<td><strong>Late-stage readouts</strong></td>
<td><strong>Late-stage readouts</strong></td>
</tr>
<tr>
<td>Phase III</td>
<td><strong>RSV maternal</strong> - vaccine</td>
</tr>
<tr>
<td>COVID-19 (Sanofi) - vaccine</td>
<td><em>MenABCWY</em> - vaccine</td>
</tr>
<tr>
<td>COVID-19 (SK Bioscience) - vaccine</td>
<td><strong>Jemperli</strong> - RUBY (1L endometrial cancer)</td>
</tr>
<tr>
<td>RSV older adults - vaccine</td>
<td><strong>Blenrep</strong> - DREAMM-3 (3L+ multiple myeloma)</td>
</tr>
<tr>
<td>gepotidacin – EAGLE (uUTI)</td>
<td><strong>Blenrep</strong> - DREAMM-3 (3L+ MM)</td>
</tr>
<tr>
<td><strong>Phase II</strong></td>
<td><strong>otlimab</strong> - contRAst (rheumatoid arthritis)</td>
</tr>
<tr>
<td>bepirovirsen - HBV ASO, BE-CLEAR (HBV)</td>
<td></td>
</tr>
<tr>
<td>Malaria (fractional dose) vaccine</td>
<td></td>
</tr>
</tbody>
</table>

1. Late-stage defined as Phase Iib onwards. Status as of 27 October 2021
2. Tesaro asset
3. Multiple myeloma
4. Interim analysis
5. Uncomplicated urinary tract infection
6. Phase Iib data
7. Hepatitis B virus
8. Interim analysis M33

*Note: US regulatory decision on MMR vaccine candidate and Phase III readout from RUBY3 study both expected around mid 2022.*
Portfolio and pipeline to secure growth over next 10 years

1. Tesaro asset. Note: Bars are not at scale.

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Meaningful margin expansion from 2022

Adjusted Operating Margin >30% by 2026
More than 10% Adjusted Operating Profit
CAGR 2021-26

Cost initiatives:
- £0.5bn restructuring savings 2018-21
- £1.0bn Future Ready savings expected by 2023
- Approx. 1/3 of total savings reinvested in growth
- Major restructuring complete by 2022

Culture of cost discipline:
- New ways of working, R&D productivity, prioritisation and simplification

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Improved capital position supports growth investment

- Vaccines
- Specialty Medicines
- General Medicines

Strong operating cash flow

Strengthened balance sheet

Capital allocation priorities

- Strengthen pipeline (incl. bolt-on and in-licensing business development)
- Product launches
- Sustainability
- Progressive dividend policy
ESG to deliver sustainable performance and contribute to long-term growth

- Health impact
  - #1 in Dow Jones Sustainability Index

- Trust for all stakeholders
  - #1 in Access to Medicines Index

- Reduced risk to operations
  - Committed to targets of net zero on carbon and net positive on nature by 2030

- Positive social impact
  - New GSK to positively impact the health of >2.5 bn people over 10 years

- Diversity and inclusion commitments
New GSK: new ambitions for patients, shareholders and our people

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- Progressive dividend policy
- Pipeline-driven growth to more than £33bn sales by 2031
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