

Corporate governance

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The Board

Sir Jonathan Symonds, CBE

Non-Executive Chair

Age: 64

Nationality: British

Appointed: 1 September 2019



Skills and experience

Jon has extensive international financial, life sciences and governance experience.

Jon served as an Independent Non-Executive Director of HSBC Holdings plc from April 2014, and as Deputy Group Chairman from August 2018, until his retirement from the Board in February 2020. He was previously Chairman of HSBC Bank plc, Chief Financial Officer of Novartis AG, Partner and Managing Director of Goldman Sachs, Chief Financial Officer of AstraZeneca plc, and a Partner at KPMG. His governance experience includes roles as Non-Executive Director and Chair of the Audit Committees of Diageo plc and QinetiQ Group plc, Non-Executive Chair of Proteus Digital Health Inc and Non-Executive Director of Rubius Therapeutics, Inc.

Jon is a Fellow of the Institute of Chartered Accountants in England and Wales.

External appointments

Non-Executive Director, Genomics England Limited having previously served as its Chairman; Non-Executive Chair, Energy Aspects; Member, European Round Table for Industry; Senior Advisor to Chatham House.

Dame Emma Walmsley

Chief Executive Officer

Age: 53

Nationality: British

Appointed: 1 January 2017
Chief Executive Officer from
1 April 2017

Skills and experience

Prior to her appointment as GSK's CEO, Emma was the CEO of GSK Consumer Healthcare, a Joint Venture between GSK and Novartis, from its creation in March 2015. Emma joined GSK in 2010 from L'Oréal, having worked for 17 years in a variety of roles in Paris, London, New York and Shanghai. Emma was previously a Non-Executive Director of Diageo plc.

Emma holds an MA in Classics and Modern Languages from Oxford University.

External appointments

Independent director, Microsoft, Inc.

Iain Mackay

Chief Financial Officer

Age: 61

Nationality: British

Appointed: 14 January 2019
Chief Financial Officer from
1 April 2019

Skills and experience

Prior to joining GSK, Iain was Group Finance Director at HSBC Holdings plc, a position he held for eight years. A chartered accountant, Iain has lived and worked in Asia, the US and Europe and before HSBC was at General Electric, Schlumberger Dowell and Price Waterhouse. Iain was previously a Trustee of the British Heart Foundation and Chair of its Audit and Risk Committee.

Iain holds an MA in Business Studies and Accounting and holds an Honorary Doctorate from Aberdeen University in Scotland.

Iain is a member of the Institute of Chartered Accountants of Scotland.

Iain will step down as CFO and Executive Director on 1 May 2023. He will continue as an employee and leave the company on 31 December 2023.

External appointments

Non-Executive Director, Chair of Audit & Risk Committee and member of Remuneration Committee, National Grid plc; Member, Court of the University of Aberdeen and Chair of its Remuneration Committee; Member, The 100 Group and Chair of its Stakeholder Communications and Reporting Committee.

Elizabeth (Liz) McKee Anderson

Independent Non-Executive Director

Age: 65

Nationality: American

Appointed: 1 September 2022



Skills and experience

Liz brings significant experience in commercial biopharmaceuticals and is a seasoned biotech board member. Her significant experience in commercial biopharmaceuticals, both operationally and at Board level, as well as her deep understanding of the biotechnology sector are invaluable to GSK as a pure biopharma company.

Prior to her current roles, Liz served as Worldwide Vice President and commercial leader in infectious diseases and vaccines and also for immunology and oncology at Janssen Pharmaceuticals, and as Vice President and General Manager at Wyeth Vaccines. Liz was also previously a Board member of Bavarian Nordic A/S and of Huntsworth Plc.

External appointments

Board Member, BioMarin Pharmaceutical, Inc; Board Member, Revolution Medicines, Inc; Board Member, Insmed, Inc; Trustee, The Wistar Institute; Director, Aro Biotherapeutics Company.

The Board continued

Charles Bancroft

Senior Independent Non-Executive Director

Age: 63

Nationality: American

Appointed: 1 May 2020

Senior Independent Non-Executive Director from 18 July 2022



Skills and experience

Charlie has a wealth of financial and management experience in global biopharma.

Charlie retired from a successful career at Bristol Myers Squibb (BMS) in March 2020 where he held a number of leadership roles in commercial, strategy and finance. Beginning his career at BMS in 1984, he held positions of increasing responsibility within the finance organisation and had commercial operational responsibility for Latin America, Middle East, Africa, Canada, Japan and several Pacific Rim countries. He was appointed Chief Financial Officer in 2010, Chief Financial Officer and Executive Vice President, Global Business Operations in 2016 and Executive Vice President and Head of Integration and Strategy & Business Development in 2019. Charlie successfully steered BMS through a period of strategic transformation, including its \$74 billion acquisition of Celgene. Charlie also served as a member of the Board of Colgate-Palmolive Company from 2017 until March 2020.

External appointments

Board Member, Kodiak Sciences Inc; Board Member, BioVector Inc; Advisory Board Member, Drexel University's LeBow College of Business.

The Board determined that Charlie has recent and relevant financial experience and agreed that he has the appropriate qualifications and background to be an audit committee financial expert.

Dr Hal Barron

Non-Executive Director

Age: 60

Nationality: American

Appointed: 1 January 2018

Chief Scientific Officer and President, R&D from 1 April 2018

Transitioned to the role of Non-Executive Director on 1 August 2022



Skills and experience

Hal joined GSK in 2018 as Chief Scientific Officer and President, R&D. On 1 August 2022, he transitioned to the role of Non-Executive Director, with additional responsibilities to support R&D.

Prior to joining GSK, Hal was President, R&D at Calico LLC (California Life Company), an Alphabet-funded company that uses advanced technologies to increase understanding of lifespan biology. Prior to this, Hal was Executive Vice President, Head of Global Product Development, and Chief Medical Officer of Roche, responsible for all the products in the combined portfolio of Roche and Genentech. At Genentech, he was Senior Vice President of Development and Chief Medical Officer. Hal was a Non-Executive Director and Chair of the Science & Technology Committee at Juno Therapeutics, Inc until March 2018, when it was acquired by Celgene Corporation. Hal previously served as a Non-Executive Board Director of GRAIL, Inc and an Advisory Board Member of Verily Life Sciences LLC.

External appointments

CEO and Board Co-Chair, Altos Labs Inc; Associate Adjunct Professor, Epidemiology & Biostatistics, University of California, San Francisco.

Dr Anne Beal

Independent Non-Executive Director

Age: 60

Nationality: American

Appointed: 6 May 2021



Skills and experience

Anne brings extensive healthcare experience to the Board as a physician and entrepreneur combined with a passion for patient advocacy. She is a recognised health policy expert in the development of global and national programmes for improving healthcare access for all patient groups and in ensuring the voice of patients is reflected in research programmes.

Prior to her current roles, Anne spent six years at Harvard Medical School and Massachusetts General Hospital, where she was an instructor in paediatrics. She has also held leadership roles at the Commonwealth Fund and the Aetna Foundation. Anne was previously Deputy Executive Director and Chief Engagement Officer for The Patient-Centered Outcomes Research Institute in the US and Chief Patient Officer and Global Head of Patient Solutions at Sanofi.

External appointments

Founder and CEO, AbsoluteJOI Skincare; Board Member, AcademyHealth; Board Member, Prolacta Bioscience.

The Board continued

Dr Harry (Hal) C Dietz

Independent Non-Executive Director
and Scientific & Medical Expert

Age: 64

Nationality: American

Appointed: 1 January 2022

**Skills and experience**

Hal brings extensive experience in the field of human genetics which is central to GSK's approach to R&D. He is a former President of the American Society of Human Genetics and is recognised as the world's leading authority on a genetic disorder known as Marfan Syndrome. He also brings experience in development of novel therapies, in particular in relation to disease-modifying treatments for fibrotic and neurodegenerative diseases. In total, Hal has authored 282 original publications in peer-reviewed journals across his career.

As a physician scientist, he has dedicated his entire career to the care and study of individuals with heritable connective tissue disorders with primary perturbations of extracellular matrix homeostasis and function. His lab has identified the genes for many of these conditions, for which he uses model systems to elucidate disease mechanisms.

Hal has received multiple prestigious awards including the Curt Stern Award from the American Society of Human Genetics, the Colonel Harland Sanders Lifetime Achievement Award in Medical Genetics, the Taubman Prize for excellence in translational medical science, the Harrington Prize from the American Society for Clinical Investigation and the Harrington Discovery Institute, the Pasarow Award in Cardiovascular Research, the InBev-Baillet Latour Health Prize from the country of Belgium, and the Research Achievement Award from the American Heart Association.

He is an inductee of the American Society for Clinical Investigation, American Association for the Advancement of Science, Association of American Physicians, National Academy of Medicine, and National Academy of Sciences.

External appointments

Victor A. McKusick Professor of Paediatrics, Medicine, and Molecular Biology & Genetics in the Department of Genetic Medicine, The Johns Hopkins University School of Medicine; Investigator, Howard Hughes Medical Institute; Consultant and Chair of Scientific Advisory Board, Aytu Biopharma; Independent Chair, GSK's Human Genetics Scientific Advisory Board; founded and previously Scientific Adviser to Blade Therapeutics.

Dr Jesse Goodman

Independent Non-Executive Director
and Scientific & Medical Expert

Age: 71

Nationality: American

Appointed: 1 January 2016

**Skills and experience**

Jesse brings scientific and public health expertise to the Board's deliberations. He has a wealth of experience spanning science, medicine, vaccines, regulation and public health, and has a proven record in addressing pressing public health needs from both the academic and federal sectors.

Jesse previously served in senior leadership positions at the US Food and Drug Administration (FDA), including most recently as the FDA's Chief Scientist and previously as Deputy Commissioner for Science and Public Health and as Director of the Center for Biologics Evaluation and Research (CBER).

Jesse played a leadership role in developing the FDA's Regulatory Science and Medical Countermeasures Initiatives and has worked collaboratively with industry, academia, government and global public health and regulatory partners to prepare for and respond to major public health threats, including emerging infectious diseases, disasters and terrorism. He led the FDA's response to West Nile Virus and to the 2009 H1N1 influenza pandemic and served on the Senior Leadership Team for the 2010 White House Medical Countermeasure Review. Jesse was previously a member of both the Scientific Advisory Committee and the Regulatory and Legal Working Group of the Coalition for Epidemic Preparedness Innovations (CEPI).

External appointments

Professor of Medicine and Attending Physician, Infectious Diseases, Georgetown University and directs the Georgetown University Center on Medical Product Access, Safety and Stewardship (COMPASS); Board Member (formerly President), United States Pharmacopeia (USP); Board Member, Scientific Counselors for Infectious Diseases, Centers for Disease Control and Prevention (CDC); Board Member, Intellia Therapeutics Inc; Member, US National Academy of Medicine; Board Member, Adaptive Phage Therapeutics, Inc.

The Board continued

Urs Rohner

Independent Non-Executive Director

Age: 63

Nationality: Swiss

Appointed: 1 January 2015



Skills and experience

Urs has a broad business, banking and legal background and extensive senior level experience at multinational companies.

Urs has served as Chairman on a number of Boards, most recently for Credit Suisse Group from 2011 until April 2021. Prior to joining Credit Suisse in 2004, Urs served as Chairman of the Executive Board and CEO of ProSieben and ProSiebenSat.1 Media AG. This followed a number of years in private practice at major law firms in Switzerland and the US, having been admitted to the bars of the canton of Zurich in Switzerland in 1986 and the state of New York in the US in 1990.

External appointments

Member, International Advisory Board, Investcorp; Chair, Vega Cyber Associates AG.

Dr Vishal Sikka

Independent Non-Executive Director

Age: 55

Nationality: American

Appointed: 18 July 2022



Skills and experience

Vishal has a distinguished background in technology and particularly in the field of Artificial Intelligence (AI) and Machine Learning, which is central to GSK's approach to R&D. He is the founder and CEO of Vianai Systems, Inc, a Silicon Valley-based company that provides advanced technological software and services in AI and Machine Learning to large enterprises around the world.

Prior to founding Vianai Systems, Vishal served as CEO of Infosys Limited and as a member of the Executive Board of SAP SE. Vishal has a PhD in Artificial Intelligence from Stanford University and has co-authored several research abstracts related to AI, technology and database management.

External appointments

Founder and CEO, Vianai Systems, Inc; Board Member, Oracle Corporation; Member, Supervisory Board, BMW AG.

Key ● Committee Chair (C) Corporate Responsibility (S) Science (N) Nominations & Corporate Governance (A) Audit & Risk (R) Remuneration

Directors departing during 2022

Manvinder Singh (Vindi) Banga	1 Sept 2016 to July 2022	Retired from the Board on appointment to the Haleon plc Board effective on demerger
Dame Vivienne Cox	1 July 2016 to 18 July 2022	
Lynn Elsenhans	1 July 2012 to 18 July 2022	Retired from the Board after nine years of service
Dr Laurie Glimcher	1 Sept 2017 to 10 Oct 2022	Retired from the Board after over five years of service

GSK Leadership Team (GLT)

Skills and experience

Emma Walmsley Chief Executive Officer	Emma joined GSK in 2010 and the GLT in 2011. See Board biographies on pages 97 to 100.
Iain Mackay¹ Chief Financial Officer	Iain joined GSK and the GLT in 2019. See Board biographies on pages 97 to 100.
Diana Conrad Chief People Officer	<p>Diana was appointed Chief People Officer and member of the GLT in April 2019. She was previously Senior Vice President, HR, Pharmaceuticals R&D from 2016 where she played a key strategic role as leader of the R&D people and culture agenda to support its transformation.</p> <p>Diana joined GSK Canada's HR team in 2000 where she held several roles of increasing responsibility before becoming Senior Vice President, HR for Consumer Healthcare in 2009.</p> <p>Prior to joining GSK, she held HR roles in companies including GE Capital, Gennum Corporation and Zenon Environmental Laboratories. Diana has an Honours Bachelor of Arts from McMaster University in Canada.</p>
James Ford SVP and Group General Counsel, Legal and Compliance	<p>James joined the GLT in 2018, when he was appointed Senior Vice President and Group General Counsel, later taking responsibility for Compliance, Corporate Security and Investigations in 2021. He joined GSK in 1995 and has served as General Counsel Consumer Healthcare, General Counsel Global Pharmaceuticals, Vice President of Corporate Legal and was Acting Head of Global Ethics and Compliance. Prior to GSK, James was a solicitor at Clifford Chance and DLA. He holds a law degree from the University of East Anglia and a Diploma in Competition Law from King's College. He is qualified as a solicitor in England and Wales and is an attorney at the New York State Bar. James is based in London and has practised law and lived in the US, Singapore and Hong Kong. James was co-chair of the US-based Civil Justice Reform Group 2019-2022, and is a director of the European General Counsel Association and the Association of Corporate Counsel.</p>
Sally Jackson SVP, Global Communications and CEO Office	<p>Sally joined the GLT in March 2019 as Senior Vice President, Global Communications and CEO Office. She leads our Communications and Government Affairs function globally and is also the CEO's Chief of Staff.</p> <p>Prior to this, Sally was Senior Vice President, Office of the CEO and CFO and she previously served as Head of Investor Relations. She joined GSK in 2001.</p> <p>Sally holds a degree in Natural Sciences from the University of Cambridge.</p>
Luke Miels Chief Commercial Officer	<p>Luke joined GSK and the GLT in 2017. As Chief Commercial Officer he is responsible for our commercial portfolio of medicines and vaccines. Luke also co-chairs the Portfolio Investment Board with Tony Wood and is a member of the ViiV Healthcare Board. Outside of GSK, Luke is a member of the Singapore Economic Development Board.</p> <p>He previously worked for AstraZeneca as Executive Vice President of their European business and, prior to that, was Executive Vice President of Global Product and Portfolio Strategy, Global Medical Affairs and Corporate Affairs. Before that, he was head of Asia for Roche, based in Shanghai and then Singapore. Prior to that he held roles of increasing seniority at Roche and Sanofi-Aventis in the US, Europe and Asia.</p> <p>Luke holds a Bachelor of Science degree in Biology from Flinders University in Adelaide and a MBA from the Macquarie University, Sydney.</p>
Shobie Ramakrishnan Chief Digital and Technology Officer	<p>Shobie joined the GLT in 2021 when she was appointed Chief Digital and Technology Officer. She joined GSK in 2018 and has deep and broad experience in both biotech and hi-tech companies and, most recently, has led Digital and Technology for GSK's Global Commercial organisation, transforming the company's capabilities in digital, data and analytics and playing a pivotal role in establishing a more agile commercial operating model. Before joining GSK, Shobie held senior technology leadership roles in organisations including AstraZeneca, Salesforce, Genentech and Roche. She is a former member of the board of directors at Remediant and is a member of the board of directors at SustainableIT.org.</p> <p>Shobie holds a Bachelor's degree in Electronics Engineering from Vellore Institute of Technology, University of Madras, India.</p>

¹ Iain Mackay will step down from the Board and GLT from 2023. He will be succeeded as CFO by Julie Brown.

GSK Leadership Team continued

	Skills and experience
<p>David Redfern President, Corporate Development</p>	<p>David joined the GLT as Chief Strategy Officer in 2008 and is responsible for corporate development and strategic planning. Previously, he was Senior Vice President, Northern Europe with responsibility for GSK's pharmaceutical businesses in that region and, before that, he was Senior Vice President for Central and Eastern Europe. He joined GSK in 1994. David was appointed Chairman of the Board of ViiV Healthcare Limited in 2011 and a Non-Executive Director of the Aspen Pharmacare Holdings Limited Board in 2015.</p> <p>He has a Bachelor of Science degree from Bristol University and is a Chartered Accountant.</p>
<p>Regis Simard President, Global Supply Chain</p>	<p>Regis joined the GLT in 2018, when he became President, Pharmaceuticals Supply Chain.</p> <p>He is responsible for the manufacturing and supply of GSK's medicines and vaccines. In addition, he leads Quality and Environment, Health, Safety and Sustainability at a corporate level. Regis joined GSK in 2005 as a Site Director in France, rising to become Senior Vice President of Global Pharmaceuticals Manufacturing before his current role. Previously, he held senior positions at Sony, Konica Minolta and Tyco Healthcare. He is a member of the Board of ViiV Healthcare.</p> <p>He is a mechanical engineer and holds an MBA.</p>
<p>Phil Thomson President, Global Affairs</p>	<p>Phil joined the GLT in 2011. He was appointed President, Global Affairs in 2017, and has responsibility for the Group's strategic approach to stakeholder engagement, reputation and policy development. Previously, Phil was Senior Vice President, Communications and Government Affairs. He joined Glaxo Wellcome as a commercial trainee in 1996.</p> <p>Phil is also Chair of The Whitehall & Industry Group and holds a degree in English, History and Russian Studies from Durham University.</p>
<p>Deborah Waterhouse CEO, ViiV Healthcare and President, GSK Global Health</p>	<p>Deborah was appointed to the GLT in January 2020. She became Chief Executive Officer of ViiV Healthcare in April 2017. In addition to ViiV, Deborah also leads GSK's Global Health organisation.</p> <p>Deborah joined GSK in 1996 and, prior to ViiV, was the Senior Vice President of Primary Care within GSK's US business. She has a strong track record of performance in both specialty and primary care. Deborah led the HIV business in the UK before heading the HIV Centre of Excellence for Pharma Europe and held roles as General Manager of Australia and New Zealand and Senior Vice President for Central and Eastern Europe.</p> <p>Deborah is a Non-Executive Director of Schroders plc and holds a degree in Economic History and English Literature from Liverpool University.</p>
<p>Tony Wood Chief Scientific Officer</p>	<p>Tony was appointed Chief Scientific Officer (CSO) designate on 19 January 2022 and became CSO, Head of R&D and a member of GLT on 1 August 2022. He joined GSK from Pfizer in 2017 as Senior Vice President, Medicinal Science and Technology, responsible for all science and technology platforms driving the delivery of new innovation.</p> <p>Tony has led large-scale global organisations in drug discovery and development in multiple therapeutic areas, including immunology, oncology and infectious diseases. During his time at Pfizer, Tony was responsible for the invention of a new antiretroviral medication used to treat HIV infection. He is a Fellow of the Academy of Medical Sciences, an Honorary Fellow of the Royal Society of Chemistry (RSC), the highest honour given by the RSC, and a Fellow of the Royal Society of Biology.</p> <p>Tony has a BSc in chemistry and PhD in organic synthesis from the University of Newcastle, and was a postdoctoral fellow at Imperial College, London. He is also currently a visiting professor at IMCM Oxford.</p>

GLT members departing during 2022

Hal Barron was a member of the GLT and Chief Scientific Officer until 1 August 2022, when he transitioned to a Non-Executive Director.
Roger Connor was a member of the GLT and President, Global Vaccines until 1 December 2022, when he left the company.

Chair's governance statement

2022 was one of the most important years in GSK's recent history which saw the delivery of strong operational and financial performance, the successful demerger of Consumer Healthcare and the establishment of new GSK as a fully focused global biopharma company.

There was an intensity to the Board's work in supporting and overseeing this, which required a number of additional meetings to be scheduled, as illustrated below.

2022 Board activity

Pre-demerger (1 January to 17 July)

	Routine	Additional*
Board	3	3
Nominations & Corporate Governance	3	1
Science	1	2
Corporate Responsibility	1	1
Audit & Risk	3	2
Remuneration	3	2
Chairs'	0	5

*Additional activity:

- Development and approval of demerger documentation and forecast
- Haleon plc (Haleon): Chair appointment and Board development
- GSK Remuneration policy development and investor approval
- GSK Board development and CSO succession
- Business development

Post-demerger (18 July to 31 December)

	Routine	Additional*
Board	3	2
Nominations & Corporate Governance	2	0
Science	2	1
Corporate Responsibility	3	0
Audit & Risk	3	2
Remuneration	3	1
Chairs'	0	1

*Additional activity:

- CFO succession
- *Zantac* litigation
- Business development

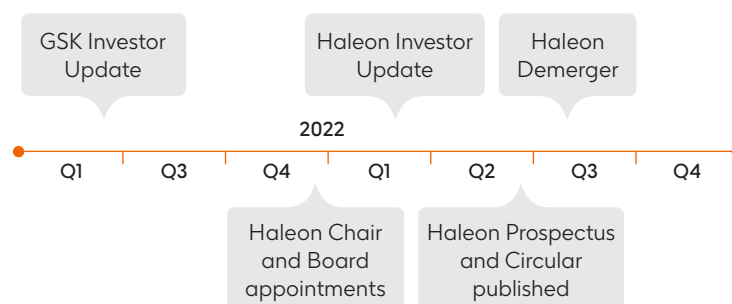
Executing the demerger and creating new GSK

The Board's work in the first half of the year was primarily occupied in overseeing the smooth execution of the demerger of Consumer Healthcare from GSK, resulting in the creation of two strong businesses. This culminated in the approval of the GSK Circular and the Haleon Prospectus which were overwhelmingly approved by shareholders at the General Meeting in July, with over 99% of votes cast in favour. This work

included, at its heart, a robust focus on shareholder value creation embodied in the ambitions for both companies. These were communicated in the investor updates in February 2022 for Haleon and previously in June 2021 for GSK.

2022 separation process

- Disciplined Board approach to deliver demerger
- Creation of world-leading consumer healthcare business with competitive long-term growth prospects and compelling financial proposition
- Newly focused GSK with strengthened balance sheet for investment in pipeline/R&D
- Both companies with clear targets for upper-quartile growth, set out at Investor Updates



Chair's governance statement continued

At our investor updates, we set out what we believed to be competitive financial aspirations for new GSK. Namely: cumulative top-line growth of 5% and operating profit growth of 10% (excluding COVID-19 solutions), together with an aspiration of £31 billion to £33 billion of sales by 2031. This was not an ambition that the Board entered into lightly. It was a very important demonstration of the confidence the Board has in the business and our determination to be held accountable for a step-change in improved performance. 2022's strong operational and financial performance is a good platform to progress from.

Similarly, for Haleon, the focus was on a top-line growth aspiration to signal that the business had upper quartile growth potential. This view was robustly tested when an unsolicited conditional and non-binding proposal to acquire the Consumer Healthcare business was received. In exercising its fiduciary duties all proposals were evaluated but rejected by the Board as they were not in the best interests of shareholders. This is because the proposals fundamentally undervalued the Haleon business and its future prospects. The Board was confident that Haleon could deliver sustained organic sales growth in the range of 4-6% CER over the medium term. It has been very pleasing to see that since separation, Haleon has subsequently announced strong performance.

A key part of our aspiration for GSK was the restructuring of the GSK balance sheet with an appropriate level of debt for Haleon. This sought to ensure the competitiveness of both companies on separation and GSK's ability to continue to invest in external as well as internal science was improved. The refinancing of approximately £10 billion of indebtedness was successfully completed in the first quarter of 2022. This timing was opportune given the current environment. GSK received £7.1 billion of pre-separation dividends attributable to GSK funded by Consumer Healthcare debt and we continue to hold 13.5% of Haleon shares, which will be divested in due course.

R&D and business development

I have also previously described the succession process we followed for the CSO transition from Dr Hal Barron to Dr Tony Wood. We are very pleased with how smooth this process has been and that we are making good progress in R&D. The Board receives regular reports on R&D from Dr Wood as well as from the Science Committee, following its reviews. Progress is achieved by organic and inorganic business development (BD).

We now have an efficient Board cadence for BD to support R&D. The scientific screening of a target is undertaken first by the Science Committee, well in advance of the Board's consideration. This is to ensure that we are confident with the scientific rationale underpinning a deal before progressing to the Board. If the proposal is for a late or later stage target or asset, we then also undertake a commercial review of the forecasts and the commercial assumptions underpinning it.

We consider deals in respect of their contribution to our ambitions for the periods: to 2026, 2026 to 2031, and beyond. The Board can then review the proposal knowing that these important aspects have been established. We then focus on the value associated with the transaction and how it contributes to furthering our strategy and plan.

During 2022, this process included the appraisal and approval of the acquisitions of:

- **Sierra Oncology**, a biopharmaceutical company focused on targeted therapies for rare forms of cancer. The acquisition included momelotinib, a new medicine with a unique dual mechanism of action intended to address the critical unmet medical needs of myelofibrosis patients with anaemia
- **Affinivax**, a clinical stage biopharmaceutical company providing GSK with access to a next generation pneumococcal vaccine candidate and a highly innovative Multiple Antigen Presenting System, known as MAPS

Other transactions reviewed by the Board included:

- a licensing agreement with Spero Therapeutics for tebipenem HBr, a late-stage antibiotic targeted to treat complicated urinary tract infections; a significant unmet medical need
- a collaboration with Wave Life Sciences, bringing together Wave's oligonucleotide platform and GSK's expertise in genetics and genomics
- a collaboration with Tempus to provide GSK with access to Tempus' AI-enabled platform, including its library of de-identified patient data – one of the world's largest sources of clinical and molecular data

Shareholder perspectives and engagement

The Board believes in the importance of maintaining a high and continuous level of engagement with shareholders. During 2022 and up to the date of publication of this Report, I held 27 individual meetings with a range of investors, who make up approximately 35% of the company's share register. Charles Bancroft, who was appointed our new SID after the demerger, has held 14 introductory meetings with shareholders making up over 25% of our register. We were also pleased to be able to hold our Annual Governance Meeting in London in December 2022 as an 'in person' meeting once again. We extended an invitation to shareholders representing holdings totalling approximately 50% of our share register to this event and were pleased that representatives of over 25% participated virtually or in person. It is of prime importance for us to maintain a clear understanding of investors' views on the company's performance. These meetings help achieve that and provide a key input to our Board planning.

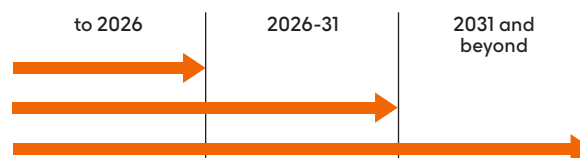
Chair's governance statement continued

2023 Board priorities

Externally facilitated Board review to agree priorities and ways of working

Focus on value creation, governance and oversight of Ahead Together strategy:

- Delivery of performance targets
- Execution of R&D pipeline and business development
- Long-term R&D strategy and approach
- People/Talent/Culture
- ESG Leadership
- Zantac litigation – defence and mitigation
- Focus on shareholder value creation



New GSK Board priorities

When I joined the Board in September 2019, GSK was entering a period of significant transition in the run up to the separation of the Group. The Board engaged in a structured, externally facilitated appraisal of our governance and the architecture of the Board and its committees. The output of this was a Board agenda that was focused and linked directly to the business needs of innovation, pipeline, performance, culture and separation, and a refined committee architecture that reinforced these priorities.

Following separation, it was time to set new Board priorities. Ms Hall of No 4, a business advisory company, was engaged to facilitate this work following the success of her previous review. This work comprised two key aspects:

- a review of our current ways of working, with recommendations for further improvement and establishing priorities for the Board agenda for the next three to five years
- an evaluation of the Board and its committees during 2022

The Board is now aligned with management to deliver our new Ahead Together purpose, strategy and culture, with a strong emphasis on value creation over three time periods: near-term (2023-26) based around delivering our public commitments; medium- to long-term (2026-31); and beyond. Our Board programme for 2023 has been set accordingly.

The report of the formal independent external 2022 Board and committee performance review is set out on page 111.

Board culture and decision-making

The Board fully supported our new purpose, strategy and the performance culture for new GSK. We are now well-positioned to deliver on our public commitments for growth and to create sustainable long-term value. All Board discussions focus on the powerful combination of Science, Technology and Talent and realising GSK's desired culture. These support our aim to be:

- ambitious for patients
- accountable for impact
- doing the right thing

They also frame Board discussions when considering strategic decisions and actions to be taken.

Connecting with the business and our people

Following the COVID-19 restrictions, the Board is now able to meet together in person. Time is set aside to enable our Non-Executive Directors to have more informal time, together with the GLT members presenting to them and to meet with other colleagues at each meeting location.

The Board and Board committees

The Board's agenda seeks to be focused and not to duplicate work. Each committee remit defines its agenda to support our priorities. Our Committee Chairs continue to be responsible for sharing with the Board the work their committees undertake and the main issues they are overseeing. They also highlight specific committee papers which they believe would benefit the Board's wider understanding. Non-Executive Directors may attend any committee meeting and have full access to agendas and papers. From time to time the Chairs' Committee, or a more specific Board committee, may be convened for a specific topic. This creates flexibility and enables the Board to be more agile, if required. Given the increased biopharma expertise of the new Board, management has also been sharing proposals and opportunities at an earlier stage to facilitate more efficient decision-making.

The following is a snapshot of aspects of our Board committees, work in 2022.

Audit & Risk Committee: assisted in the establishment of a robust internal control and risk management control framework for Haleon as an independent listed company. It also confirmed that GSK's framework remained fit for our new future. The Committee took a lead role in completing the scrutiny of and then subsequently recommending to the Board the demerger and listing documents for shareholder approval at the General Meeting in July 2022.

Chair's governance statement continued

Since the demerger, the Group's share price performance in the second half of the year was impacted by the uncertainties associated with the *Zantac* product liability litigation in the US. The Committee continues to have primary Board accountability for the *Zantac* litigation, including accounting, disclosure and communication assessments on behalf of the Board. The Committee has a clear remit and recommends decisions on the navigation of the litigation to the Board, as appropriate. I would reiterate at this point that the company remains very confident in its position on these matters and will defend itself vigorously against any claims brought.

Nominations & Corporate Governance Committee: supported the demerger of the Consumer Healthcare business by assisting the Haleon Chair designate in completing the composition of the Haleon Board. This included the transfer, on demerger, of two of our serving Directors, Vindi Banga and Dame Vivienne Cox. The Committee felt strongly that their particular skills and experience would be valuable to Haleon and that they would also importantly provide continuity for the new Haleon Board.

The Committee's other focus was on continuing to complete the composition of the new GSK Board and changes to the GLT. The key focus was in deepening the Board's scientific and biopharma skills. The Committee selected new Directors with a strong emphasis on life sciences and technology to help deepen our biopharma expertise and experience:

- **Dr Vishal Sikka** is a world-leading technologist in the field of advanced enterprise technologies with extraordinary credentials in AI and machine learning
- **Liz McKee Anderson** has deep commercial expertise across both large and specialty biopharma and has specific experience of global commercialisation and market access in specialisms such as respiratory, immunology, vaccines and HIV
- **Julie Brown**, will join GSK in April as our incoming CFO. She has considerable listed pharmaceuticals and commercial experience

The Board now has scientific credentials ideally suited to its new purpose and which are among the strongest in the industry. We have moved away from the broader experience on the Board I originally joined in 2019. I am pleased at how the debate and discussion in Board and committee meetings has evolved to our new purpose and is deeper and more enriched as a result. The Committee will continue to recruit diverse Directors with scientific and biopharma expertise to meet the evolving needs of the Board to oversee the company's strategy as a global biopharma business.

Science Committee: Good progress has been made in R&D. The Committee continues to support the ambitious and agile development of our pipeline, both organically and through smart business development, by overseeing and reviewing our application of science. The Committee supported the seamless transition of leadership of R&D to Dr Tony Wood from Dr Hal Barron. Tony's role as a key architect in rebuilding our pipeline was key to this.

Corporate Responsibility Committee: The new culture at GSK is something that we all own. It powers our purpose, drives delivery of our strategy and helps make GSK a place where people can thrive. The Committee continues to focus its oversight on evolving the company's ESG performance. I am pleased that we are able to report that we are **on track** against our new ESG rating and reassured by the further enhancements to our ESG reporting and data oversight.

Remuneration Committee: Our focused new Remuneration policy is a fundamental part of the architecture of new GSK post-separation. It is critical we now build a strong performance culture to generate sustained delivery of shareholder value. Our new policy seeks to achieve this key linkage between executive remuneration rewarding outperformance.

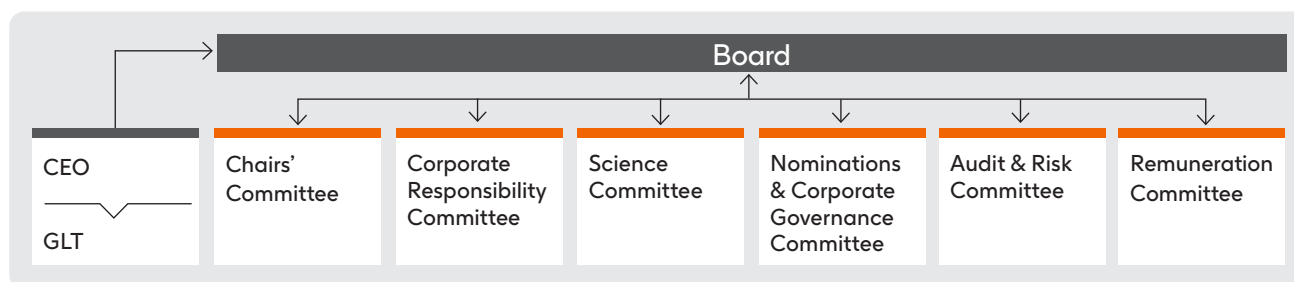
We engaged extensively with shareholders and shareholder representative bodies as we developed the new policy to recognise the importance of the new reward system to support new GSK's success. The final policy was modified to reflect the feedback we received, whilst recognising the sizeable minority of shareholders who voted against it. We will continue to engage with shareholders to demonstrate the importance we place on rewarding over-performance in the policy at this crucial next stage of new GSK's development. The strong operational and financial performance of the company in 2022 is an encouraging start. However, GSK has underperformed in terms of TSR and share price performance for many years. The new policy is firmly focused on addressing and reversing this trend and the outturns of awards in 2022 recognise the significant improvement in performance.

Overall good progress was made in 2022. However, your Board is clear that there is more to do to increase investor confidence in the ability of the Group to sustain growth over the next decade.

Thank you for your continued support and I look forward to connecting with you during the year, whether at our Annual General Meeting in May, or otherwise, to share our continued progress.

Sir Jonathan Symonds
Chair
9 March 2023

Corporate governance architecture



Our corporate governance architecture is a framework designed to improve the effectiveness of the Board and to support its oversight of the GSK Leadership Team (GLT) in the delivery of our strategy. It continues to evolve to support our infrastructure and priorities as a pure biopharma business.

GSK's internal control and risk management arrangements are an integral part of our overall corporate governance framework and are described on pages 51 to 64 and pages 125 and 126 .

To ensure the framework's optimal effectiveness it requires:

- a clear division of responsibilities for individual and collective Board roles described on the next page
- the appropriate distribution of workload to the Board committee with the requisite focus and skills
- highly committed Board Directors motivated to discharge their roles and responsibilities for the success of the company

Committee roles

Committee	Role and focus	Membership	Committee report on page
Chairs'	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	–
Corporate Responsibility	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. It has oversight of the views and interests of our internal and external stakeholders and reviews issues that have the potential for serious impact upon GSK's business and reputation	Dr Anne Beal (Chair) Dr Jesse Goodman Dr Vishal Sikka	117-118
Science	Supports the Board in its understanding of the key strategic themes, upon which the company's R&D strategy is based, and of external transactions, by performing in-depth reviews of the underlying scientific assumptions to give the Board technical assurance. It also undertakes more in-depth risk oversight of R&D-related risks	Dr Hal Dietz (Chair from 1 January 2023) Dr Jesse Goodman (Chair to 31 December 2022) Dr Hal Barron	118-120
Nominations & Corporate Governance	Reviews the structure, size and composition of the Board, the appointment of members to Board committees and the appointment of Corporate Officers. It makes recommendations to the Board as appropriate. It also plans and assesses orderly succession for Executive and Non-Executive Directors and reviews management's Succession Plan to ensure its adequacy Is responsible for reporting to the Board, overseeing and monitoring corporate governance arrangements and for making recommendations to the Board to ensure the company's standards and arrangements are consistent with existing corporate governance standards and emerging best practice. It also reviews Board and GLT conflicts of interest	Sir Jonathan Symonds (Chair) Charles Bancroft Dr Anne Beal Urs Rohner	120-124
Audit & Risk	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, and the company's process for monitoring compliance with laws, regulations and ethical codes of practice. It also oversees ESG data reporting and assurance Initiates audit tenders, the selection and appointment of the external auditor, setting its remuneration and exercising oversight of its work	Charles Bancroft (Chair) Elizabeth McKee Anderson Urs Rohner	124-129
Remuneration	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 The Remuneration policy is regularly reviewed to ensure 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 on the remuneration arrangements and policy for the Non-Executive Directors)	Urs Rohner (Chair) Charles Bancroft Dr Anne Beal Elizabeth McKee Anderson	132-164

Each Board committee has written terms of reference which are approved by the Board and are reviewed at least annually to ensure that they comply with the latest legal and regulatory requirements and reflect best practice developments. The current full terms of reference of each Board committee are available on [gsk.com](https://www.gsk.com). Board and committee meeting attendance for 2022 and oversight of the company's policy on external appointments is set out on page 109.

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 effective operation of the Board and its committees
- 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 continuously with each Non-Executive Director to discuss individual contributions and performance, together with 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 on [gsk.com](https://www.gsk.com)

Chief Executive Officer

Emma Walmsley

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

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

Independent oversight and rigorous challenge

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 on 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 of its Non-Executive Directors who are identified on pages 97 to 100, with the exception of Dr Hal Barron, to be independent after being assessed against Provision 10 of the Financial Reporting Council's (FRC) UK Corporate Governance Code (Code).

The independence and commitment of Dr Jesse Goodman and Urs Rohner, who have each served on the Board for over six years, has been subjected to a rigorous review.

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

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 the issues and concerns of major shareholders through meetings with investors and briefings from the Company Secretary and Investor Relations

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

Company Secretary

Victoria Whyte

- is secretary to the Board and all Board committees
- supports the Board and Committee Chairs in annual agenda planning
- ensures information is made available to Board members in a timely fashion
- supports the Chair in designing and delivering Board inductions
- coordinates continuing business awareness and training requirements for the Non-Executive Directors
- undertakes internal Board and committee evaluations at the request of the Chair
- 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

2022 Board and committee attendance

	Board	Chairs'	Corporate Responsibility	Science	Nominations & Corporate Governance	Audit & Risk	Remuneration
Total number of routine meetings	6	6	4	3	5	6	6
Current members	Attended		Attended	Attended	Attended	Attended	Attended
Sir Jonathan Symonds	6	6			5		
Emma Walmsley	6						
Iain Mackay	6						
Elizabeth McKee Anderson	1 (2)					1 (2)	1 (2)
Dr Hal Barron	6			2 (2)			
Charles Bancroft	6	5			5	6	3 (3)
Dr Anne Beal	6	1 (3)	4		2 (2)	5 (5)	3 (3)
Dr Harry C Dietz	6			3			
Dr Jesse Goodman	6	5	4	3			
Urs Rohner	6	6			5	3 (3)	6
Dr Vishal Sikka	3 (3)		2 (3)				
Retired members							
Vindi Banga	3 (3)	4 (5)			3 (3)	3 (3)	3 (3)
Dame Vivienne Cox	3 (3)		1 (1)				3 (3)
Lynn Elsenhans	3 (3)	2 (3)	1 (1)		3 (3)	3 (3)	
Dr Laurie Glimcher	5 (5)			2 (2)		5 (5)	
Number of additional meetings	5	–	1	3	1	4	3

The numbers in brackets denote the number of meetings which these individuals were eligible to attend. See Board and committee changes during 2022 on page 123. Details of committee members' skills and experience are included in their biographies under 'The Board' on pages 97 to 100.

FRC UK Corporate Governance Code

Financial experience

In accordance with the FRC's Code, the Board has 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.

Compliance

The Board is pleased to report that in 2022 it was in full compliance with the provisions of the FRC's Code, with the exception of Code provision 38.

Provision 38 requires alignment of pension rates for executive directors with those available to the local workforce. Since 1 January 2023, current Executive Directors' pension rates have been aligned to the wider workforce local to them. This replicates the requirement for pension arrangements for any new Executive Directors appointed to GSK.

In addition, provision 38 requires that only base salary should be pensionable. US pension arrangements for employees allow basic salary and bonus to be pensionable. Following Dr Hal Barron's transition to a Non-Executive Director with effect from 1 August 2022, this FRC Code requirement has also been met.

The Board is also pleased to report that it has consistently applied the principles of the FRC's Code, as set out in the pages of this and the Remuneration report. A copy of the Code is available on the FRC's website, www.frc.org.uk.

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 committees meetings. However, it is recognised that there may be rare occasions when this is not possible. Special allowance is given during the first year of Board membership while calendars are aligned. There was a high attendance record at scheduled Board and committee meetings for all our Directors who served during 2022, as set out above.

Our Board Directors' external appointments are governed by a Board approved policy. 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 takes into account other demands on the individuals' time. Prior to appointment to the Board, an individual is required to disclose significant commitments they may have with an indication of the time involved.

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 are envisaged.

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. Our Executive or Non-Executive Directors may undertake a maximum of one, or up to four listed company directorships, respectively.

Ahead Together – Board oversight

The Board discharges its responsibilities through an annual programme of meetings.

In 2022, papers and presentations were provided to the Board (and its committees) which were focused on the strengthening of the fundamental elements of the business to move Ahead Together in pursuit of the company's strategy to deliver GSK's growth-based performance ambitions, oversee the demerger and listing of Haleon, establishing GSK as a pure biopharma business and drive our ESG leadership priorities. In doing so, these papers and presentations also highlighted the relevant stakeholder impacts and perspectives.

These materials enable the Board's effective decision-making, input and oversight of business performance and governance.

The key items of business considered critical to GSK's long-term success through the achievement of GSK's key priorities are highlighted below:

Areas of focus in 2022

Demerger and listing of Haleon	<p>The Board's preparation for the demerger as a value-based process included:</p> <ul style="list-style-type: none"> – discussing strategy and plans for Consumer Healthcare for the period up to and beyond its separation as Haleon – receiving regular performance reports – scrutinising and overseeing the Consumer Healthcare Capital Markets Day approach and materials – supporting appointments to the Haleon Board, including the transition of Vindi Banga and Dame Vivienne Cox to Haleon – scrutinising and responding to an unsolicited proposal for the Consumer Healthcare business in advance of the demerger – approving the GSK Shareholder Circular recommending the demerger and overseeing the Haleon Prospectus – approval of the demerger and subsequent GSK share consolidation
Build GSK as a pure biopharma business	<p>The Board's oversight of the creation of GSK as a pure biopharma business and delivery of a step-change in performance included:</p> <ul style="list-style-type: none"> – regularly discussing and scrutinising transformation plans for GSK – scrutinising updates on R&D strategy, progress and progression of the company's pipeline – requesting the Remuneration Committee renew the Remuneration policy's focus to incentivise overdelivery and reward a new performance culture – Board and management succession planning, including approval of the appointment of a new Chief Scientific Officer, the transition of Dr Hal Barron to Non-Executive Director, and the appointment of two new independent Non-Executive Directors and a new Chief Financial Officer – approval of Charles Bancroft as successor to Vindi Banga in the role of Senior Independent Director – approval of a change in approach to workforce engagement
Ahead Together – further strengthening the fundamentals of value creation	<p>The Board's oversight of the fundamentals of commercial execution, cost base management, capital allocation, pipeline and culture included:</p> <ul style="list-style-type: none"> – setting and approving the Board's 2022-24 priorities – receiving regular progress updates and providing input into the company's Vaccines mRNA strategy and plan – receiving and discussing commercial strategy performance reports from Pharmaceuticals, Vaccines and ViiV Healthcare – receiving updates on R&D strategy and pipeline progress – approving business development transactions, acquisitions and strategic partnerships with third parties including: Sierra Oncology, Affinivax, Mersana Therapeutics, Spero Therapeutics, Wave Life Sciences and Tempus – receiving quarterly reports from the CEO, CFO and CSO – scrutinising the Group's financial performance – setting the company's new name, purpose and simplified culture, through a new Code of Conduct
Enhancing ESG leadership	<p>The Board's oversight of our new culture and embedding ESG at our core:</p> <ul style="list-style-type: none"> – approving and supporting the new GSK culture – approving the Responsible Business section of the Annual Report – approving the Task Force on Climate-related Financial Disclosures section in the Annual Report – final approval of our Pricing and Access Policy principles – overseeing GSK's overall response to the situation in Ukraine
Regular corporate governance oversight	<p>The Board's programme of governance included:</p> <ul style="list-style-type: none"> – reviewing the quarterly financial results, dividend proposals, earnings guidance, investor materials, results announcements and receiving reports from the external auditor – approving the final 2021 Annual Report and Form 20-F – setting the annual budget, and the forward-looking three-year plan – conducting an annual review of the Board's enterprise risk responsibility framework and enterprise-wide risks – undertaking an annual Board evaluation and implementing its agreed outcomes – reviewing and continuing to evolve the Board's governance architecture – evaluating the CEO's 2021 performance, and setting her 2022 objectives – reviewing the talent and succession plans annually – receiving reports on Board committee work – engaging with GSK's stakeholders and the wider workforce to gather and understand their views on the company's activities and operation – reviewing the employee PULSE survey results – receiving reports on wider corporate governance and regulatory developments, and the Company Secretary's report – approving the company's modern slavery statement and gender pay gap positioning – reviewing stakeholder perception research

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, with the last one being facilitated in 2020 by Jan Hall of No 4, a business advisory company which does not have any other connection with GSK. The Board felt it would be helpful for No 4 to conduct the 2022 evaluation following the completion of the demerger of Haleon and the formation of GSK as a new biopharma company.

Preparation

No 4 met with the Chair and CEO in advance of the evaluation, for an update on how the Board is operating to understand GSK's future priorities, and to agree the review's objectives, scope and timetable. The Company Secretary also provided No 4 with access to Board and committee materials, and other information.

Interviews

During November and December 2022, No 4 conducted confidential and detailed interviews with the Board, selected GLT members, the Company Secretary, GSK's external auditor and our incoming and outgoing independent remuneration adviser, to seek their views on the Board's effectiveness. These meetings reflected an agreed discussion guideline that was sent to each participant beforehand. This included key topics from the Financial Reporting Council's 2018 Guidance on Board Effectiveness and the relevant requirements of its 2018 UK Corporate Governance Code. However, this did not limit the feedback each participant could give.

Review

The Review sought to determine the Board's priorities over the next three to five years and how they should be built into the Board's agenda. The evaluation results and suggested next steps were included in a summary report, compiled by No 4 and discussed initially with the Chair, CEO and the Senior Independent Director (SID). The Review was presented to the Board in January 2023 which covered the following main areas of the effectiveness review:

- Overall review of the Board
- Board organisation, agenda and information
- Board dynamics, challenge and input
- Future strategy development
- Performance delivery

Action points

After due consideration and discussion the following action points to further improve performance in 2023 were agreed:

- The key area of focus for the Board should continue to be R&D (organic and inorganic). Meeting the pipeline goals, and therefore delivering shareholder value, is seen by all as the top priority
- The importance of the Science Committee in working with the CSO to help optimise the pipeline
- Supporting the onboarding of the new CFO, Julie Brown
- Board succession planning would be progressed to ensure a broad range of diverse candidates for consideration as successor for the Remuneration Committee Chair

Board committees

The review of the Board committees focused on their progress. It involved virtual interviews with committee members conducted by No 4 on behalf of the respective Committee Chairs. Each committee was considered to operate effectively and the following further enhancements were agreed:

- The importance of optimising concise feedback by Committee Chairs to the full Board following each committee meeting
- Following agreement of the overall Board priorities and the Board agenda, Committee Chairs agreed to review the main areas of responsibility for their committees in line with the Board priorities and incorporate them into their committee programmes for 2023
- In particular, the importance of the Science Committee in supporting organic and inorganic R&D and evolving the ways in which the committee works with the CSO and his team

Chair

The SID and No 4 sought feedback on the Chair's performance from the Directors individually and collectively. This concluded that the Chair was operating effectively in leading the Board. The results of the review were then noted by No 4 and discussed by the Chair and the SID.

Key decisions and engagements

Section 172 statement

Board members are required by law to promote the success of their organisation for the benefit of both shareholders and their wider stakeholders, including employees, suppliers and the community. This statement meets this requirement, as set out in Section 172 and Section 414CZA of the Companies Act 2006 (the Act). It states how, during the year, 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 the statement focuses on those risks and opportunities that are strategically important to GSK, and consistent with the Group's size and complexity. This allows it to properly understand the potential impacts of the decisions it makes on all stakeholders.

Engagement with our main stakeholder groups, including our patients, shareholders, consumers, customers and employees at all levels and across the organisation, are summarised throughout the pages of our strategic report.

In particular, the Board's continuous engagement with our investors and people is set out in this section on pages 114 to 116, and the company's corporate governance architecture and processes are summarised on pages 107 to 109.

This summary sets out how the Board considered all relevant matters in making the principal decisions that contributed to the formation of two attractive and viable businesses with compelling investment propositions, through:

- delivering the separation of Haleon from GSK with a strong focus on shareholder value (the Demerger) and
- building GSK as a pure biopharma company that is ambitious for patients, accountable for impact and does the right thing (new GSK)

The Demerger represented a key step in a multi-year transformation of GSK to improve focus, performance and competitiveness, and to maximise value for shareholders. The Demerger also provided the right opportunity to implement the legal change of name of the company from GlaxoSmithKline plc to GSK plc. This was designed to mark the new GSK brand and culture and protect and build it for the future. The change was made in May 2022.

(a) Long-term results

The likely consequences of any decision in the long term

At the end of May 2022, the Board assessed the company's readiness to proceed with the Demerger and approved the GSK Circular and agreed the Haleon Prospectus to be sent to shareholders as the final stage of the Demerger.

The Board exercised its Section 172 duties by reviewing the work of management and the Audit & Risk, Corporate Responsibility, Remuneration and Transformation & Separation committees in progressing the separation since mid-2020. This included;

- extensive consultations held with the key stakeholders, and sharing the long-term growth ambitions at the investor events for GSK in June 2021 and Haleon in February 2022
- considering and rejecting the unsolicited, conditional and non-binding proposals received to acquire the Consumer Healthcare business

In recommending these proposals to create two independent companies to most effectively serve their patients and customers respectively, the Board firmly believed that its decision would establish:

- a newly independent global leader in consumer health with a focused strategy to drive penetration growth across its portfolio, capitalising on new and emerging growth opportunities, underpinned by strong execution and financial discipline. Haleon, as an independent company, would be able to deliver sustainable above-market growth, moderate sustainable adjusted operating margin expansion in the medium term with attractive returns to shareholders
- new GSK, a pure biopharmaceuticals company with a portfolio focused on Vaccines, Specialty Medicines and General Medicines with clearly defined financial ambitions, a clear ambition to deliver large-scale and long-term positive human health impact and a strong balance sheet enabling a growth-oriented capital allocation policy and attractive shareholder returns

The Board believed that the Demerger would unlock the potential of both businesses, strengthen the balance sheet of new GSK and its ability to invest in growth and maximise long-term return for shareholders.

Shareholders duly approved the two resolutions proposed at the General Meeting held on 6 July 2022 and the Demerger was then effected on 18 July 2022.

Key decisions and engagements continued

(b) Our workforce

The interests of the Group's employees

The Board had continual regard to the interests of our people who were either remaining with new GSK or departing to form Haleon. It achieved this by using various employee voice mechanisms described on pages 10, 11 and 115 to help explain the future shape of these companies, understand and assess the impact of these changes on the organisation and how they were being experienced by our people.

Significant focus was dedicated in bringing to life new GSK's Ahead Together purpose, strategy and culture for our people across the Group. A strong emphasis has been given to individual ownership of our new culture. This was formally launched in June 2022 with events held around the company's locations globally.

These were attended by GLT members and Non-Executive Board members including the Chair.

In 2022, in addition to our annual bonus and long-term incentive structure, the Board also gave a special thank you to all our people (excluding GLT), allowing us to recognise what we had achieved together in preparation for the Demerger and the transformation of the company into a pure biopharma company. As a result, everyone received a one-off payment equivalent to a week's salary in March, separate to our 2021 bonus pay-out.

We also ensured that the treatment of awards or options held by GSK employees, and for departing Haleon employees, delivered a fair outcome in accordance with the rules of those share schemes as part of the Demerger and the GSK share consolidation.

(c) Our business relationships

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

A key imperative for the Board of GSK as a responsible business is to ensure the company develops and monitors these partnerships to ultimately serve patients. The benefits of these relationships and how they can support the achievement of our ambitions are described in the pages of our strategic report, for example:

- achieving our Ahead Together ambition to positively impact the health of 2.5 billion people by the end of 2030, requires the development of vaccines and medicines and making them available through responsible pricing, strategic access programmes and partnerships

– ethical behaviour is promoted across our business by supporting our people to do the right thing and working with suppliers that share our standards and operate in a responsible way. Our new Code of Conduct seeks to set out expectations in this regard

– our third parties are expected to meet our ABAC and labour rights standards and to comply with our standards on quality, health and safety, and the environment. Approximately 29% of our total emissions footprint comes from the goods and services that we buy. In September 2022, in support of our net zero carbon impact on climate ambition, we launched our Sustainable Procurement Programme. This will require our suppliers to, among other things, disclose emissions, set carbon reduction targets, and switch to renewable power and heat

(d) The community and the environment

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

Our approach to making a positive impact has been guided by extensive stakeholder engagement on the key issues relevant to new GSK and, prior to the demerger, Haleon's respective industries and the nature of the companies themselves. The Board has sought to achieve this by:

- in preparation for the Demerger, working with Haleon's management team in developing its own distinctive responsible business approach and ESG framework bespoke to the needs of its customers and the communities it serves. This also involved scrutinising this framework and the proposed targets, including environmental sustainability targets. These were presented at Haleon's investor update in February 2022

– establishing the six areas of ESG focus for new GSK as a global biopharma company that are fundamental to our DNA and success. These six areas, detailed on pages 42 to 50, directly contribute to long-term shareholder value by contributing to our health impact, supporting thriving people and reducing risk. The environment is one of our principal ESG focus areas. In 2022, an environmental scorecard measure was introduced into our long-term incentive plans to incentivise and reward progress on delivering against our net zero impact on climate and net positive impact on nature public ambitions by 2030

The Board has also been focused on new GSK's Ahead Together ambition to impact the lives of 2.5 billion patients over the next ten years. Human capital is key to GSK and as such we are seeking to strengthen early STEM education investments to further support a long-term diverse talent pool and increase the positive impact of volunteering activities within the communities in which we serve.

Key decisions and engagements continued

(e) Our reputation

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

This duty guided the Board's approach to the Demerger and the creation of new GSK. This was achieved by:

- the transformation of the company, initially launched in early 2020. This included fundamentally reviewing our structure, cost base, ways of working and the effectiveness of both our biopharma and consumer healthcare businesses and implementing targeted enhancements in advance of the Demerger
- choosing the optimal form of separation through a Demerger with the same listing location and structure for Haleon as GSK. As a result, Haleon should operate to the same premium listed, legal and corporate governance standards, in an environment with common business and ethical values to GSK
- extensive legal and financial due diligence and engagement with key regulators, investors and other key stakeholders, which was undertaken in preparing the GSK Circular, the Haleon Prospectus and the Haleon 20-F
- reaching an agreement with the trustees of the GSK UK Pension Schemes on a package of measures (including funding and protections) in relation to the Demerger and the GSK UK Pension Schemes' triennial actuarial valuations
- ensuring that GSK remained as one company in how we operated until the point of Demerger, with the overriding emphasis on driving top-line growth and improving margin
- implementing plans for the six areas of ESG focus for new GSK, outlined to investors in June 2021 to help retain and develop further GSK's reputation for ESG leadership and responsible business conduct
- developing a distinctive and holistic responsible business case and ESG framework for Haleon which was outlined to investors in February 2022. This supported Haleon's purpose, strategy and culture as a premium UK listed company, with a focus on the key responsible business issues
- ensuring that the Board and our people in new GSK commit annually to our new Code of Conduct introduced in June 2022. This Code sets out our Board endorsed Ahead Together purpose and culture, as well as the performance commitments our people make so we can all deliver on the company's ambitions in the right way

(f) Fairness between our shareholders

Our aim to act fairly as between members of the Group

It was of fundamental importance that the Board was able to ensure that shareholders were treated fairly up to, on and after the Demerger. This was demonstrated by:

- deciding on the most appropriate capital structures required for the two companies to be competitive, on which stock exchanges Haleon should list, and whether, and to what extent, to distribute shares in Haleon to GSK's shareholders and retain any stake in Haleon
- each shareholder having a right to vote on a one vote for one share basis at the General Meeting for the Demerger and the new GSK share consolidation, and related party transactions resolutions. To ensure that as many shareholders as possible could participate in the meeting, shareholders were able to ask questions and vote either electronically or in person. Voting majorities in excess of 99% were recorded for each resolution
- each shareholder receiving a pro-rated shareholding in Haleon after the Demerger, with the receipt of one Haleon share for each GSK share held. Additionally, all Haleon shares from the inception of the Demerger had equal rights to participate in capital, dividend and profit distributions by Haleon
- the GSK Share Consolidation achieved consistency in the GSK share price pre- and post-Demerger to enable comparability between the new GSK earnings per share and share price with previous periods. It also preserved, as far as reasonably possible, the value of share options and awards granted to our people after the Demerger

Approach to continuous engagement

Our stakeholders rightly have high expectations of us. The dynamic operating environment presents many challenges and opportunities. The Board aims 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. The Board engages with or is briefed on the views of our stakeholders, to ensure it identifies and responds to their expectations effectively and appropriately.

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

The Board placed two of our main stakeholders at the heart of our renewed culture, with our people all being ambitious for patients, accountable for impact, and doing the right thing. Our culture is described on pages 10 and 11 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 the Board needs to make balanced judgements.

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

Key decisions and engagements continued

Our principal Board committees, and the GLT, undertake engagement on the Board's behalf in accordance with their remit. This means that they can build a detailed understanding of how our actions or plans are/or may impact 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 117 and 118.

Board members regularly receive:

- the CEO's Board Report
- a specific External Stakeholders' Report. This provides strategic insights based on an analysis of key developments, achievements and risks impacting 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 stakeholder views through:

Engagement and feedback events such as: the quarterly investor results calls, the Annual General Meeting, employee survey reports, through the Board's workforce engagement activities, and from experts presenting at Board or committee meetings. In addition to the Chair's investor check-in meetings which he holds on an ongoing basis, our new SID, Charles Bancroft, joined him for some meetings. Charles also met individually with investors to introduced himself and gain a personal understanding of issues and any views they may have.

Other opportunities: Board members also gain wider stakeholder views during the annual strategy meeting with the GLT, as part of the annual review of strategy, budget and planning process. This 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.

Our people

We have well-established and strong engagement mechanisms with our colleagues, which are described on pages 10 and 11 and are monitored regularly by the Board. Three key governance channels help communicate what our people are thinking to the Board:

- regular Board updates from our Chief People Officer and the CEO on culture and talent
- feedback from a range of pulse surveys of varying sizes of employee groups to help check sentiment and culture more quickly and frequently and provide valuable insights on the impact of major initiatives, events or communications
- direct engagement by the Board. Prior to the demerger, our designated Workforce Engagement Director, Dame Vivienne Cox, had a specific mandate to connect with our people

Workforce engagement: Dame Vivienne concluded her workforce engagement activities in the first half of the year. This was prior to her transfer to the Haleon Board in July 2022 on the separation of the Consumer Healthcare business. Her programme of visits was conducted on the same basis as she described in previous Annual Reports.

Dame Vivienne provided a focus for employee engagement as our designated Workforce Engagement Director from December 2018. Her tenure coincided in its entirety with the programme to transform GSK into a focused biopharma company and the demerger of Consumer Healthcare to form Haleon. She continued to take questions and gather feedback for the Board from employees on the future strategy, shape and culture of the two new independent companies in the build up to separation. In doing so, during 2022 she held listening events with a cross-section of:

- Consumer Healthcare employees in April 2022 prior to their transfer to Haleon and
- Digital and Tech employees in June 2022 that were helping to ensure a strong and secure technology platform for both companies

Prior to separation, the Board reviewed its formal workforce engagement arrangements. It was decided to move from a specific Workforce Engagement Director model and 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 over half of the independent Non-Executive Directors (NEDs) having served for less than three years, and with 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 our people and hear their views. This has been implemented by:

- a return to direct in-person receptions with local employees, following COVID-19 restrictions during Board site visits. During the second half of 2022 these included: Stevenage, UK (as one of our two global R&D hubs), Boston, US, and our Global HQ in Brentford
- the Chair undertaking a range of site visits, including: Raleigh Durham, US, to meet with our ViiV employees, King's Cross, London where he met with our Artificial Intelligence and Machine Learning team, as well as our Respiratory supply chain employees based in Ware, UK and Aranda, Spain
- the Chair and Corporate Responsibility Committee Chair meeting with leaders of our employee resource groups (ERGs) to discuss how they experience GSK as well as hearing their views on progress with our diversity, equity and inclusion (DEI) agenda and ambitions
- 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

Key decisions and engagements continued

Our shareholders

The Board seeks to directly engage with and be directly accountable to institutional investors and private retail shareholders. It seeks to discharge this direct and continuous accountability in several ways. These include regular communications, the Annual General Meeting, General Meeting and our Annual Governance Meeting, and through the work of our Investor Relations team, the Chair, Sir Jonathan Symonds, and our Company Secretary, Victoria Whyte.

During the year, our CEO, Emma Walmsley, and CFO, Iain Mackay, gave quarterly results presentations to institutional investors, analysts and the media by webcast. They are also regularly joined by the CSO, the Chief Commercial Officer, and CEO, ViiV Healthcare and GSK Global Health. They are able to provide investors with more detailed insights into their specific areas of responsibility.

Through regular meetings, Emma and Iain have an ongoing and active dialogue with institutional shareholders about our performance, plans and objectives. In 2022 the CEO held a total of 92 engagements with major shareholders, representing approximately 40% of the company's share register. The CFO held a total of 113 such engagements with investors making up nearly 40% of the company's share register.

The Chair has always maintained a constant dialogue with shareholders too – including fund and portfolio managers – as well as engaging with governance and ESG professionals. During 2022 and up to the date of publication of this Report, the Chair held 27 meetings with a range of investors, who make up approximately 35% of the company's share register. This enables him to gain a current understanding of investor views, insights and perspectives of the company. He discusses the many aspects of Board governance, oversight and succession.

Charles Bancroft was appointed our new SID in July 2022, after the demerger of the Consumer Healthcare business. He has been introducing himself to our shareholders to seek their views on GSK and discuss any key matters of importance. From his appointment as SID to the date of publication of this Report he had 14 meetings with investors making up over 25% of our share register.

The Chair, CEO and the rest of the Board had a particular focus in 2022 on communicating the final process for demerging Haleon, the ambitions for GSK as a global biopharma business beyond the demerger and progression of our pipeline over three key focus periods: to 2026, 2026 to 2031 and 2031 and beyond. They also sought investors feedback on our new Remuneration policy.

Annual Governance Meeting

This year's event was a hybrid meeting in central London. Institutional shareholders, key investment industry bodies and proxy advisory firms were invited. Over 14 institutional shareholders attended the event, representing approximately 25% of the company's issued share capital. The Chair was joined by our new SID, Committee Chairs and GSK's external audit partner and his successor.

We shared with investors the priorities and focus of the Board and its committees in 2022 and the progress made against them. This included:

- the execution of a clear plan for separation of Haleon from GSK with strong focus on shareholder value creation
- the creation of two attractive and viable businesses with compelling investment propositions
- building two highly-qualified Boards to complement the world class management teams
- re-architecting the GSK Board
- supporting the Haleon Board build
- the approval of a new binding Remuneration policy aligned to delivery of GSK's public growth and ESG commitments announced at the Investor Update in June 2021 and
- continuous engagement with shareholders and other stakeholders

The meeting was well-received and shareholder feedback was shared subsequently with the full Board.

Annual General Meeting

We were pleased to be able to hold a hybrid meeting at the Sofitel Heathrow in May 2022. This was the first meeting we were able to hold for in person attendance since the onset of the COVID-19 pandemic. We were pleased to see an increase in attendance by our shareholders compared to the 2021 AGM that had been held virtually at our registered office in Brentford. 94 shareholders joined the meeting in person and 68 shareholders joined virtually to watch or listen to updates from our Chair and the CEO, to ask questions, and vote. With the exception of our proposed Remuneration policy resolution which received shareholder approval of 62%, all our proposed resolutions were approved by shareholders, with majorities ranging from 91% to 99%.

Our AGM this year will be held once again in a hybrid format at the Sofitel Heathrow. Shareholders will also have the flexibility to be able to watch and listen, vote and ask questions at the meeting virtually via the Lumi platform and to ask questions via a video connection. See further details on page 299.

General Meeting

In addition, the Board convened a General Meeting at Sofitel Heathrow on 6 July 2022 to seek shareholder approvals to authorise the demerger of Haleon and the related share consolidation for GSK. The Chair, CEO and CFO were present in person with the Company Secretary while the rest of the Board joined the meeting virtually. 46 shareholders joined the meeting in person and 99 shareholders joined virtually. Both resolutions were approved by shareholders with majorities in excess of 99%.

Board committee reports

Corporate Responsibility Committee report

Dr Anne Beal

Corporate Responsibility Committee

I am pleased to present this report, which is my first as Chair of the Corporate Responsibility Committee (the Committee).

I joined the Committee in May 2021 and succeeded Lynn Elsenhans as Chair in July 2022 after a comprehensive transition and handover. During her time as Chair, Lynn made an outstanding contribution in overseeing, shaping and embedding our Trust priority and our approach as a responsible business, and, more recently, establishing the six areas of ESG focus for GSK as a pure biopharma company. These six areas – detailed on pages 42 to 50 – directly contribute to long-term shareholder value by contributing to our health impact, supporting thriving people and reducing risk.

I have been drawing on my extensive healthcare experience as a physician and public health expert – including my time as Chief Patient Officer of Sanofi combined with my passion for patient advocacy, to continue building on the Committee's work. I have framed the work and scrutiny of the Committee on the following questions:

- how do we as a company and Committee know how we are performing across our ESG focus areas?
- can we challenge ourselves to further improve our performance?
- how we can best report to our key stakeholders on what we have done and the level of impact we have made?

Driving the Board's oversight for enhanced ESG performance

A central element of the Committee's work over the last 12 months has been devoted to accelerating improvements in how ESG performance is understood and managed.

The Committee agreed the introduction and disclosure of a new ESG Performance Rating – one of our company KPIs as a key management tool to drive delivery of ESG across our six ESG focus areas. This rating has been derived from assessing the performance of a number of stretching, independently assured metrics across the focus areas to arrive at a single composite measure. The Committee has regularly monitored the company's progress against these metrics during the course of the year. We recommended to the Board the publication of a final **on track** ESG Rating for 2022 alongside the other ESG disclosures in this Annual Report and our ESG Performance Report. Further details can be found on page 42 of the strategic report and within the ESG performance report, available on [gsk.com](https://www.gsk.com).

ESG performance deep dives

Throughout the year the Committee has discussed with management the following areas of our ESG focus.

Access and pricing principles: The Committee reviewed and recommended to the Board the adoption and publication of GSK's Pricing and Access Principles (Principles).

The principles are a high-level articulation of management's current approach to pricing and access. They have been prepared with extensive internal and external consultation and had been validated with key audiences including patient advocacy groups drawn from the US and UK.

The Committee, as part of its detailed input on these Principles, made sure that they captured:

- the impact value of GSK's innovation in terms of economic benefit
- health equity within and between countries
- the importance of the supply network for access and
- that the Principles are sufficiently flexible to evolve over time and are subject to regular review

Diversity, Equity and Inclusion (DEI): The Committee continues to regularly assess the progress of GSK's DEI approach and the key metrics identified to drive performance. Metrics to support some of these areas form part of the new ESG Performance Rating, which can be explored further on page 47.

This work includes efforts to further increase our leadership diversity, build a diverse talent pipeline and foster an inclusive culture. The Committee was pleased to note the strong overall progress that was being made towards the gender and ethnicity aspirations for 2025. In particular, it was pleased that the US ethnic diversity aspiration of at least 30% had already been exceeded this year, while further work was being undertaken to increase Black VP representation in the UK. I firmly believe that GSK is doing some outstanding work in this area and have been pleased with how the Committee's feedback is being utilised by management to further improve performance for maximum impact.

The Committee also reviewed progress on efforts to broaden diversity of our clinical trial participants, grow our supplier diversity, improve health equity within countries and expand equitable access to STEM education.

Environment: The Committee has recently reviewed progress on the company's ambition for net zero impact on climate and net positive impact on nature. The Committee is satisfied that good progress is being made to date, with a dual focus on maximising the success of the in-flight initiatives and developing targeted actions to maintain momentum against stretching ambitions.

Human rights: The Committee has reviewed management's approach and progress on Human Rights including supply chain and third party interactions. We have also considered the complex and rapidly evolving legal and regulatory landscape for Human Rights.

Board committee reports continued

ESG disclosures and reporting: GSK's capability in respect of ESG reporting is continually evolving as we challenge ourselves on how best to report clearly and concisely on our performance. This is taking place against greater scrutiny on ESG from all stakeholders, with ESG reporting increasingly moving from voluntary to mandatory.

The Committee considers that GSK has a strong and mature ESG reporting approach, but there is an opportunity to bring the level of control of ESG data up to the same level as controls for financial data. With this in mind, the Committee has approved establishing an ESG data assurance hub to further strengthen ESG data oversight.

Collaborating with other Board committees

There has been a careful division of responsibilities and allocation of the workload between this Committee and the Remuneration Committee, in respect of the introduction of specific ESG targets into our short- and long-term incentive plans from the beginning of 2022. We have been monitoring and helping the Remuneration Committee determine vesting outcomes.

The Audit & Risk Committee (ARC) supported the Committee in its discussions over the introduction, measurement and disclosure of the ESG Performance Rating. The Committee will also work closely with the ARC from this year onwards over the implementation and operation of enhanced ESG data assurance oversight and determinations, which the ARC Chair sets out further in his report on page 125.

Dr Anne Beal

Corporate Responsibility Committee Chair
9 March 2023

Science Committee report

Dr Jesse Goodman

Science Committee

I am pleased to present this report as Chair of the Science Committee (the Committee) on our activities during 2022. It is the first since the demerger of Consumer Healthcare as Haleon in July 2022.

Key activities in 2022

As a result of the demerger, GSK is now a pure biopharma business with a goal of uniting Science, Technology and Talent to better prevent and treat disease. In R&D, we are combining the power of genetic and genomic insights into what causes disease, with the speed and scale of Artificial Intelligence and Machine Learning to make better predictions about who a treatment might work for, and why.

This renewed focus has been evident in the Committee's discussions for some time and I am excited for the future opportunities it brings for GSK and its patients. The Committee's key activities in 2022 can be split into the following key areas, which are covered in more detail below:

- **Pipeline reviews:** monitoring of GSK's pipeline
- **Scientific deep-dives:** discussion and analysis of the key scientific themes which drive the company's R&D strategy
- **Business development:** undertaking technical reviews and assurance of the underlying science of potential business development transactions

Pipeline progress

Fundamental to GSK's achievement of its growth ambitions is the delivery of a successful pipeline, which the Committee has continued to monitor throughout the year.

During 2021, the Committee participated in the Chief Scientific Officer (CSO) succession planning process. This led to the appointment of Dr Tony Wood in August 2022. Dr Wood has since continued to build on the outstanding progress made by Dr Hal Barron. Prior to his appointment as CSO, Dr Wood was integrally involved in delivering R&D productivity improvement and helped develop GSK's current R&D approach focused on the science of the immune system, human genetics and advanced technologies. Consequently, he was well-placed to implement a pipeline to deliver on GSK's bold ambitions for patients.

An exceptional milestone during this year was the very positive results from our late-stage respiratory syncytial virus vaccine candidate. The vaccine demonstrated unprecedented efficacy in older adults and has the potential to help reduce disease and death from a major respiratory infection which has not, until now, been vaccine preventable. Our regulatory submission for the vaccine has been accepted for review in Japan, accepted by the European Medicines Agency under accelerated assessment and was submitted to and granted Priority Review status by the US Food and Drug Administration (FDA).

Board committee reports continued

The Committee was also delighted with the positive phase III results for gepotidacin, a novel oral antibiotic, in the treatment of uncomplicated urinary tract infections. This is an important step in GSK's continued scientific commitment and investment to address antimicrobial resistance (AMR).

Our licensing agreement with Spero Therapeutics (see below) provides further evidence of our continued leadership and focus in tackling infectious diseases and AMR.

A number of key approvals were also obtained during the year:

- **FDA approval of Boostrix** for immunisation during pregnancy for the prevention of whooping cough in newborn infants
- **FDA approval of Menveo** in a new single-vial presentation to help prevent disease caused by meningococcal bacteria serogroups A, C, Y and W
- **FDA approval of Priorix** for the prevention of measles, mumps and rubella in individuals 12 months of age and older

As well as having an exciting late-stage pipeline, we also now have a robust early-stage portfolio with a number of innovative programmes capable of transforming the lives of patients.

Business development transactions

GSK is viewing research and development holistically and placing great importance on external as well as internal innovation to source promising new medicines and vaccines. During the year, the Committee continued to assess business development transactions from a scientific perspective. The acceleration of business development will be key to support GSK's organic pipeline growth. Transactions reviewed by the Committee during the year include:

Sierra Oncology: The acquisition of Sierra Oncology, a biopharmaceutical company focused on targeted therapies for rare forms of cancer. The acquisition included momelotinib, a new medicine with a unique dual mechanism of action intended to address the critical unmet medical needs of myelofibrosis patients with anaemia. A new drug application for momelotinib for the treatment of myelofibrosis was accepted in August 2022 by the FDA and in December 2022 by the EMA.

Affinivax: The acquisition of Affinivax, a clinical-stage biopharmaceutical company, providing GSK with access to a next generation pneumococcal vaccine candidate and highly innovative Multiple Antigen Presenting System (MAPS) technology.

Mersana Therapeutics: The collaboration with Mersana Therapeutics for the co-development and commercialisation of XMT-2056, a first-in-class HER2 STING antibody drug conjugate, initially for the treatment of advanced breast cancer.

Spero Therapeutics: The licensing agreement with Spero Therapeutics for tebipenem HBr, a late-stage antibiotic that may treat complicated urinary tract infections. There is a significant unmet medical need for a novel oral antibiotic that can potentially provide an alternative to intravenous therapy, particularly for patients with multi-drug resistant organisms.

Wave Life Sciences: This collaboration brings together Wave's PRISM™ oligonucleotide platform and GSK's expertise in genetics and genomics to drive the discovery and development of oligonucleotide therapeutics focusing on novel genetic targets.

Tempus: The collaboration with Tempus provides GSK with access to Tempus' AI-enabled platform including its library of de-identified patient data – one of the world's largest sources of clinical and molecular data. Through its own leading AI/ML capability, GSK will work with Tempus both to identify new drug targets and improve clinical trial design, speeding up enrolment and completion, and accelerating the development of personalised treatments for patients.

GSK's dedicated AI/ML team is the largest in-house strategic function in the biopharma industry. Collaborations between R&D and Technology within GSK have become increasingly important in drug discovery, enabling GSK to more rapidly and effectively design new vaccines and medicines.

Scientific deep-dives

The Committee also dedicated a significant proportion of its time to discussing some of the most exciting and innovative areas of science which have been driving the company's R&D strategy. Deep-dives undertaken during the year include:

- Phase 1 Pipeline review
- RNA based therapeutics and vaccines
- Oncology

In particular, the Committee's discussion of RNA, including oligonucleotide therapeutics, provided important insights into emerging science with the potential to transform the lives of patients. In November 2022, the company published positive results from a phase IIb trial evaluating the safety and efficacy of bepirovirsen – a potentially transformative treatment for people living with chronic hepatitis B.

The results offer an early indication that bepirovirsen might be a potential treatment, either as monotherapy or in combination with other drugs, that could result in a functional cure. GSK's expertise in human genetics, functional genomics and AI/ML to identify novel, genetically validated targets, as well as our recent collaboration with Wave Life Sciences referred to above, demonstrate that we are well-positioned to become a leader in oligo-based therapeutics.

Board committee reports continued

Committee changes

As previously mentioned, in August 2022 Dr Tony Wood succeeded Dr Hal Barron as CSO. Tony is an outstanding and highly respected scientist and the Committee had engaged with him regularly in advance of his appointment. Dr Barron transitioned to a Non-Executive Director and member of the Committee. The Committee, and GSK, will therefore continue to benefit from his expert advice and support on scientific matters.

Dr Laurie Glimcher retired from the Board in October 2022. I would like to thank Laurie for her valuable expertise and scientific insights contributed to the Committee during her tenure.

Finally, having chaired the Committee since its inception over six years ago, my rotation as Chair concluded effective 1 January 2023. Dr Hal Dietz, who joined the Committee on 1 January 2022, has succeeded me as Committee Chair. His experience in human genetics, which is central to GSK's approach in R&D, has already proven invaluable in the Committee's discussions. He is an excellent successor in the role of Chair.

It has been a privilege to work with GSK's outstanding scientists and leaders, as well as my fellow Committee members, and to chair the Committee during what has been a transformational period, both for the company and the scientific fields in which we operate. I remain a member of the Committee and look forward to continuing the progress outlined today.

Dr Jesse Goodman

Science Committee Chair (2017-2022)
9 March 2023

Nominations & Corporate Governance Committee report

Jonathan Symonds

Nominations & Corporate Governance Committee

I am pleased to present my fourth report as Chair of the Nominations & Corporate Governance Committee (the Committee).

Key activities in 2022

During the year, the Committee continued its important role in the process of:

- delivering the demerger of Haleon from the Group as a key Board governance workstream and
- creating two attractive and viable businesses with compelling investment propositions, directed and overseen by highly capable boards

This was achieved in an orderly and targeted manner by building two highly-qualified boards to complement their world class leadership teams through:

- supporting the shaping and creation of the Haleon Board; and
- restructuring the GSK Board with a new focus and expertise for a pure biopharma business

Haleon Board appointments

In my report last year, I described the work of the Committee in appointing the CEO, CFO and Chair designates of Haleon. I also disclosed that two Non-Executive members of the GSK Board were expected to transfer to the Haleon Board on completion of the demerger.

The Committee subsequently supported the Haleon Chair, Sir Dave Lewis, in finalising the search for and the appointment of high calibre non-executive directors to complete the Haleon Board and its committees. The Board subsequently endorsed the Committee's recommendation to transition Vindi Banga and Dame Vivienne Cox to the Haleon Board on completion of the demerger. The Committee considered that the Haleon Board would benefit from both their knowledge and experience. They would also provide important continuity for Haleon post-demerger.

Separately, the company's Consumer Healthcare joint venture partner (Pfizer) exercised its right to appoint two non-executive directors to the Haleon Board.

Shaping our new biopharma Board

I previously described the process to transition the GSK Board as a pure focused global biopharma company and the work undertaken by the Committee in designing and planning the optimal structure and composition of the new biopharma Board.

New Non-Executive Directors

The Committee wanted to ensure that new Non-Executive Director appointments would further deepen the biopharma skills, expertise and experience on the Board. A global search process was activated to appoint directors with deep life sciences commercial expertise and Artificial Intelligence and Machine Learning (AI/ML) expertise. A diverse list of such candidates was identified, shortlisted and then interviewed by Committee members, the CEO, CSO and our Chief People Officer.

Board committee reports continued

Following careful review, the Committee was pleased to recommend the appointment of two high calibre individuals, Dr Vishal Sikka and Elizabeth McKee Anderson, as independent Non-Executive Directors with effect from 18 July and 1 September 2022, respectively.

Vishal has a very distinguished background as a world-leading technologist and most particularly in the field of AI/ML, which is not only central to GSK's approach to R&D, but is also embraced across the Group. Meanwhile, Liz brings significant commercial understanding and experience in commercial biopharmaceuticals and is a seasoned biotech board member. Their contributions are already proving invaluable to the Board as a fully focused biopharma company.

Further details of Vishal and Liz's experience and biographies can be found on pages 100 and 97. The rationale for their appointments was included in the company's announcements on 4 May and 24 August 2022 respectively. They are available on [gsk.com](https://www.gsk.com).

Dr Hal Dietz was appointed to the Board at the end of 2021, he joined the Board as a designated Scientific and Medical Expert on 1 January 2022. He has extensive experience in the field of human genetics, which is also central to GSK's approach to R&D. The recruitment process for his appointment by the Committee was described in my report last year. After a year on the Board, Dr Dietz began his rotation as Science Committee Chair from 1 January 2023 in succession to Dr Jesse Goodman.

Senior Independent Director (SID) succession

Vindi Banga performed the role of SID for over six years. Vindi's transition to the Haleon Board on completion of the demerger created the opportunity to appoint a successor. The Committee determined that Charles Bancroft, having served two years on the Board, with experience of working with investors from his role as CFO at Bristol Myers Squibb, a deep understanding of the pharma industry, his experience as a non-executive director of listed companies and having sufficient time to dedicate to the role, made him the ideal successor. He succeeded Vindi with effect from 18 July 2022. The Board fully endorsed his appointment.

Continuing to shape the GSK Board for the future

Management succession planning

I previously described the work of the Committee in the appointment of Dr Tony Wood as successor to Dr Hal Barron as CSO and a member of GLT. The transition of Drs Wood and Barron into the roles of CSO and Non-Independent Non-Executive Director took effect as planned on 1 August 2022.

CFO succession

When our CFO, Iain Mackay, advised the Board of his intention to step down from the Board and leave the company, the Committee activated its CFO succession plan. A targeted search of high-quality executives for CFO succession had already been undertaken against a role profile for the next CFO for GSK as a pure biotech.

The Committee proposed, and the Board approved, the appointment of Ms Julie Brown as successor to Iain Mackay as CFO. Julie, currently Chief Operating and Financial Officer at Burberry Group plc, will join GSK in April 2023 and will work with Iain to transition his responsibilities. She will take on responsibilities as CFO and as an Executive Director on 1 May 2023. Our CFO succession process is described in more detail below.

In the Committee's view, the ideal successor to Iain was a proven CFO of a global public company with deep biopharmaceutical experience. He or she would need to be an effective business partner to the CEO in the successful delivery of GSK's growth ambitions. It was also important to the Committee that the successor be a good fit with our new culture and have a high energy and a positive mindset.

A thorough global search was initiated against this agreed profile. A shortlist of viable candidates was identified for the role. The CEO, other members of the Committee, the Chief People Officer and I met with Julie and there was unanimous support that she be recommended as Iain's successor.

The Board is looking forward to welcoming Julie to GSK. She is a highly respected CFO with extensive experience in the biopharma and medtech sectors. Further details of Julie's experience and the rationale for her appointment are included in the company's announcement on 24 September 2022, which is available on [gsk.com](https://www.gsk.com).

GLT changes

In addition to the new CSO and CFO, the Committee has also reviewed the following internal senior executive changes to the GLT to help bring further simplification and alignment of the GLT in these areas:

- Luke Miels, Chief Commercial Officer, assumed full accountability for strategic commercial product development of vaccines, alongside his current accountabilities for strategic product development in Specialty and General Medicines and the commercial performance of the GSK portfolio in markets
- Regis Simard, President Global Supply Chain, assumed accountability for both Vaccines and Medicines supply
- Deborah Waterhouse, Chief Executive Officer ViiV Healthcare, assumed overall accountability for GSK Global Health
- Roger Connor, President of Vaccines and Global Health, left GSK to progress a new role in healthcare, outside biopharma

The Committee continues to review our talent and succession pipelines and development plans for key management roles and their successors.

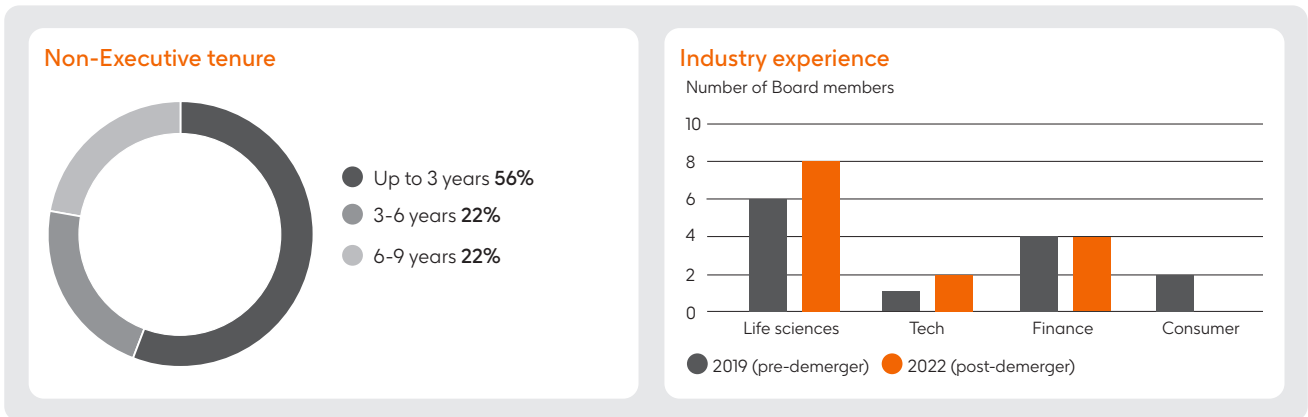
Non-Executive Director succession planning

The Committee regularly reviews the Board's composition and skills. It will be working with the Science Committee for the potential to add a further Scientific and Medical Expert, as the Board seeks to further contribute to our biopharma skills and expertise to support our growth ambitions. The Committee is also looking to identify a successor to Urs Rohner, our Remuneration Committee Chair, who is due to retire from the Board in 2024.

I look forward to providing further updates on these roles next year.

Board committee reports continued

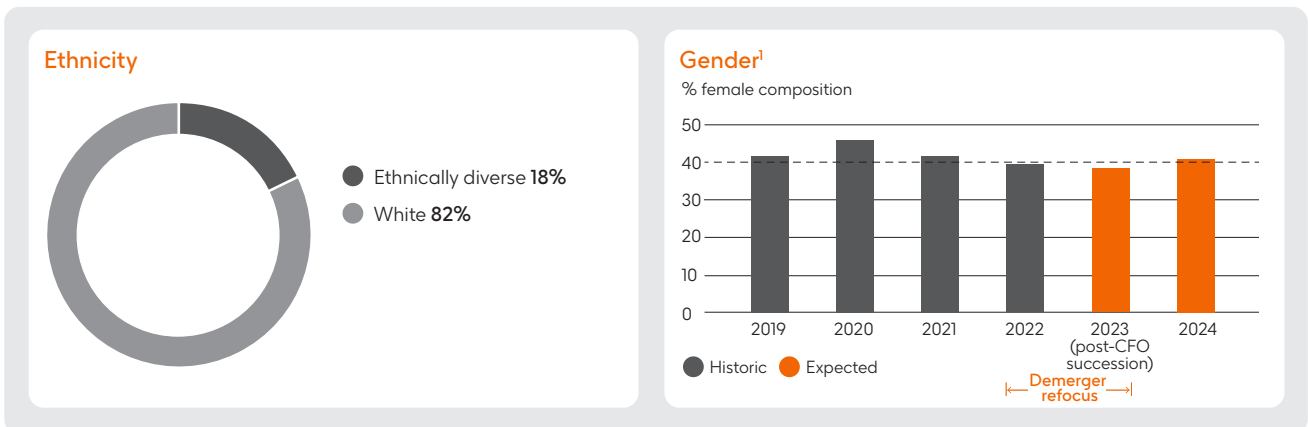
Composition and tenure



The Board seeks to balance its composition and tenure, and that of its committees, and to refresh them over time. This enables the Board to benefit from the experience of longer-serving Directors as well as the fresh perspectives and insights from newer appointees. Our Non-Executive Directors are now drawn from industries and backgrounds most relevant to a

pure biopharma company, including life sciences, the pharmaceuticals industry, R&D and Tech, vaccines and healthcare, medical research and academia and financial services. Collectively they have a wealth of experience of complex businesses with global reach.

Diversity, equity and inclusion



¹ Target female representation on Board is 40%. Data from GSK Annual Report published in the first quarter of each year. Current female representation is 27.2% at the date of publication. This is expected to rise to 36% in May 2023 post-CFO succession

We are committed to the diversity of our Board, just as GSK is committed to equal opportunities for all employees at all levels of our organisation. The Board and management seek to encourage a diverse and inclusive culture throughout the company.

An effective Board needs a range and balance of skills, experience, knowledge, ethnicity, gender, social-economic backgrounds and independence, with individuals who are prepared to challenge each other collaboratively. This mix needs to be complemented by a diversity of personal Board

attributes, including character, intellect, judgement, honesty and courage.

The Committee is responsible for developing measurable objectives and monitoring progress towards their achievement to assist the implementation of the Board's diversity policy (Policy), including gender and ethnic diversity. As a minimum, we seek to align our Policy objectives with the Financial Conduct Authority, FTSE Women Leaders Review and Parker Review diversity targets and ensure that they are consistent with our public diversity, equity and inclusion (DEI) aspirations.

Board and GLT gender diversity

Diversity objective	Status	Performance
At least 40% of Board positions held by women	Below objective	27.2%
At least one woman either in the Chair, SID role on the Board and/or one woman in the Chief Executive Officer or Finance Director role by the end of 2025	Met objective	One Director (CEO)
At least 40% of GLT positions held by women	Met objective	41.7%
At least one Board Director is ethnically diverse	Exceed objective	Two Directors

Board committee reports continued

In May 2023, when Julie Brown becomes our new CFO, female Board representation will stand at 36%. GSK will then have one of the very few all-female Executive Boards running a FTSE 100 company. We also expect to fully restore our Board gender diversity to meet or exceed 40% by 2024.

The Board has been pleased that for many years its gender representation objective has been in excess of the target of over 40% of Board positions being held by women. This is illustrated on the previous page of my Committee report. The composition and diversity of the Board is currently in a transitional period following the demerger and the reshaping of the Board for the new biopharma company, the transfer of Board members to Haleon and the retirement of two female Board Directors.

We also continue to oversee the developing pipeline of direct reports to the GLT by gender and from ethnically diverse backgrounds.

Details of GSK's representation of women and ethnically diverse leaders is covered on page 47, as part of the diversity of our global workforce. Progress against our DEI commitments, including gender and ethnicity, is illustrated in our ESG Performance Report on gsk.com. This good progress has also been incentivised by the introduction of an ESG: DEI measure in the annual bonus arrangements for our Executive Directors and other GLT members.

Board committee and GLT membership and role changes in 2022

Director/GLT member	Membership/Role	Appointment date	Retirement date
Elizabeth McKee Anderson	Audit & Risk and Remuneration committees	1 September	
Dr Hal Barron	Science Committee (following transition to role of Non-Executive Director)	1 August	
Charles Bancroft	Science Committee		8 February (stepped down after Dr Hal Dietz joined the Committee)
	Senior Independent Director	18 July	
	Remuneration Committee	18 July	
Vindi Banga	Audit & Risk, Nominations & Corporate Governance and Remuneration committees Senior Independent Director		18 July
Dr Anne Beal	Corporate Responsibility Committee Chair	4 May	
	Nominations & Corporate Governance and Remuneration committees	18 July	
	Audit & Risk Committee		25 October
Dame Vivienne Cox	Corporate Responsibility and Remuneration committees		18 July
Dr Hal Dietz	Science Committee Science Committee Chair	1 January 1 January 2023	
Lynn Elsenhans	Corporate Responsibility Committee Chair Audit & Risk, Corporate Responsibility and Nominations & Corporate Governance committees		4 May 18 July
Dr Jesse Goodman	Science Committee Chair		31 December
Dr Laurie Glimcher	Audit & Risk and Science committees		10 October
Urs Rohner	Audit & Risk Committee	18 July	
Dr Vishal Sikka	Corporate Responsibility Committee	18 July	
Roger Connor	President, Global Vaccines		1 December
Dr Tony Wood	Chief Scientific Officer and GLT member	1 August	

Board committee reports continued

Ways of working

The Committee seeks to follow best practice in all the appointments it recommends, agreeing the criteria for each role, the most appropriate interview panel, before then considering a comprehensive and diverse long list of candidates. Shortlisted candidates are interviewed and assessed against the chosen criteria. Due diligence is then undertaken before the Committee makes its final recommendation. Executive search firms are appointed in accordance with the company's procurement policy based on their expertise relative to each role.

The Committee has agreed that only search firms who are signatories to the Voluntary Code of Conduct of Executive Search Firms on gender diversity and best practice will be engaged.

The Committee worked with a number of executive search firms in 2022, who provided additional consultancy services to the company as outlined below:

- Korn Ferry: general recruitment, executive search and assessment services, coaching and other HR-related services
- Egon Zehnder: executive search, assessment and coaching services to specific senior executives
- Heidrick & Struggles: executive search services

The Committee reviewed the potential for conflicts of interest and judged that there were appropriate safeguards against such conflicts.

I look forward to reporting further progress in next year's report.

Sir Jonathan Symonds

Nominations & Corporate Governance Committee Chair
9 March 2023

Audit & Risk Committee report

Charles Bancroft

Audit & Risk Committee

I am pleased to present this report, which is my second as Chair of the Audit & Risk Committee (the Committee).

In my report last year, I spoke about my initial, very favourable, impressions of the people, processes, systems and culture at GSK that underpin the successful management of financial reporting, audit, litigation and compliance risks. I am pleased to report that GSK continues to exhibit a strong compliance culture with a consistent tone and engagement from the top that runs throughout the organisation, and the financial reporting and controls framework remains robust and did not require any fundamental changes during the year.

Key activities in 2022

Key decisions: As usual, it has been a busy year for the Committee. Not only working through its regular programme of activities, but making important decisions in support of the Board's progression of its key priorities, in summary:

- recommended to the Board approval of the planned separation of our Consumer Healthcare business in July 2022, based on the Committee's awareness and review of the transaction and Haleon's operational readiness, and the approval of final issuance of public documents and entry into associated legal agreements
- exercised oversight for the *Zantac* product liability litigation by which I provided regular reports to the Board on progress
- conducted a robust review process, together with the CFO, to select and appoint a replacement to the current lead audit partner, who under the five-year audit partner rotation rules, rotates off after the publication of this Annual Report. Further details are set out on page 128

Completion of the demerger

I highlighted, in my report last year, details of the technical work of the Committee as a key demerger governance workstream. This included overseeing the evolution of financial reporting matters, risk and controls and the public documents associated with delivering the demerger and listing to form Haleon. This work continued and intensified through the first half of 2022 to the point at which the Committee was able to complete its review processes and recommend the approval of the GSK Circular, Haleon Prospectus and Form 20-F and associated documents and matters to the Board. Separately, the Committee reviewed the processes to establish financial reporting systems and development of a robust internal control and risk management framework for Haleon. This was a significant and critical demerger workstream that was successfully delivered months prior to the demerger on a business-as-usual basis.

Board committee reports continued

Information and cyber security

This is one of our principal risks which is regularly on the Committee's agenda. During 2022 the Committee oversaw the merging of programme deliverables into an updated Cyber Maturity Plan (CMP) with additional capabilities to continue to get ahead of a dynamic threat environment. The Committee has also reviewed the benchmarking of our target cyber maturity against an industry best-practice framework, known as the National Institute of Standards and Technology Cyber Security Framework (NIST-CSF) and these learnings have been incorporated into the CMP. The Committee will continue to perform regular assessments of delivery against the Plan to further enhance the capabilities and maturity of our cyber security framework. I am pleased that the Committee's oversight in this area has been further strengthened this year with the expertise of my fellow Board Director colleague, Dr Vishal Sikka, who advises the Committee on this enterprise risk. Vishal has a distinguished career in the Tech industry and served as CEO of Infosys Limited and provides the Committee and management with valuable insights.

Key risk indicators

For several years now, our Compliance function has worked with risk owners and management to develop and report to the Committee on key risk indicators (KRIs) at an enterprise level and across our markets. As a core part of this process, we have been using enhancements in our technology and data analytics capabilities to employ a more data-driven approach to risk management across a constantly evolving risk landscape to further strengthen our compliance oversight and culture.

Earlier this year, the Committee examined a review of our principal risks resulting in a simplified process with fewer KRIs, new KRIs, some revised definitions, and prioritisation of the most meaningful indicators for the company. The Committee was pleased to note that this simpler approach would result in more focus on fewer KRIs reported to Risk Oversight & Compliance Council (ROCC) which then reports to the Committee, with a greater focus being brought to bear on escalation of issues or concerns that are material to GSK. Meanwhile, operational data, monitoring findings and other established risks would continue to be analysed by risk owners to ensure appropriate risk mitigation continues and escalation, if necessary.

Zantac litigation oversight

During the year, primary oversight for *Zantac* litigation, the related accounting, disclosure and communication assessments has continued to be undertaken by the Committee. I then report the Committee's conclusions on these matters to the Board. The Committee continues to receive regular legally privileged updates. In December 2022, we welcomed the ruling by the United States District Court (Southern District of Florida) which dismissed all federal cases alleging the five remaining cancers in the Multi-District Litigation. We will continue to defend all claims brought at State level vigorously based on the science.

Audit quality indicators

Audit Quality Indicators (AQIs) are quantitative and qualitative measures of external audit quality at an audit firm-level, an engagement level and from a management or company perspective. Together with our lead audit partner, I was pleased to participate in a project carried out by the FRC to identify the most useful engagement level AQIs relevant for the audit to help improve transparency and drive audit quality improvements. Our engagement with the FRC focused on our most recent Annual Report and considered the interactions between the auditor and the Committee during the audit process. We had a constructive dialogue and one which I hope was helpful to the FRC in progressing its work in promoting key drivers of audit quality.

Committee aims in 2023

The Committee's remit has expanded from 2023 onwards as the Board has requested that it exercise oversight and review of GSK's ESG data assurance work. In doing so, the Committee is currently overseeing the build and implementation of a new dedicated ESG data assurance hub in our Finance organisation to support this.

The hub will ensure minimum standards of controls, governance and data quality to assure the accuracy of ESG data in support of the company's performance against ESG metrics and compliance with new ESG reporting requirements. Meanwhile, our Corporate Responsibility Committee, on behalf of the Board, continues to exercise oversight of ESG strategy, performance assessment and reporting.

Internal control framework

The Board recognises its obligation to present a fair, balanced and understandable assessment of GSK's current position and prospects. Reflecting this responsibility, it is accountable for evaluating and approving the effectiveness of GSK's internal controls, including financial, operational and compliance controls, and risk management processes.

We ensure the reliability of our financial reporting, and compliance with laws and regulations, through our internal control framework. This is a comprehensive enterprise-wide risk management model which supports the Board's continuous identification, evaluation and management of the Group's principal and emerging risks, as required by the FRC's Code. The framework is designed to manage the risk of GSK not achieving its business objectives.

A fit-for-purpose framework – complemented by our corporate culture and Speak Up processes – ensures that the risks associated with our business activities are actively and effectively controlled in line with our agreed risk appetite. We believe GSK's framework provides reasonable, but not absolute, assurance against material misstatement or loss.

Board committee reports continued

The Board mandates the Group's ROCC of senior leaders to assist the Committee in overseeing risk management and internal control activities. It also provides the business with a framework for risk management and upward escalation of significant risks. Risk Management and Compliance Boards (RMCBs) across the Group promote the 'tone from the top' and establish our risk culture, as well as ensuring effective oversight of internal controls and risk management processes.

Each principal risk has an assigned risk owner, drawn from senior management, who is accountable for managing the principal risk with oversight from a GLT member, which includes setting and implementing risk mitigation plans. Risk owners report quarterly on their respective risk management approach and progress at the ROCC and the appropriate Board Committee. Our Compliance function assists the ROCC and RMCBs. Compliance is responsible for advancing enterprise-wide risk management and for developing risk-based and ethically sound working practices. It also actively promotes ethical behaviours by enabling all employees to operate in line with our culture and comply with applicable laws and regulations.

Our Audit & Assurance (A&A) function provides independent assurance to senior management and the Board on the effectiveness of risk management Group-wide, in line with an agreed assurance plan. This helps senior management and the Board to meet their oversight and advisory responsibilities in fulfilling GSK's strategic objectives and building trust with patients and other stakeholders. A&A has a dual reporting line to the CFO and the Committee.

The Committee receives regular reports from principal risk owners, Compliance and A&A on areas of significant risk to the Group and on related internal controls. These reports assess the internal control environment within each principal risk area, including enhancements to strengthen controls. Following consideration of these reports, the Committee reports annually to the Board on the effectiveness of GSK's internal controls.

In 2022, through the authority delegated to the Committee, the Board conducted a robust assessment of the Group's principal risks. This assessment, which was in line with the FRC's Code, included consideration of the nature and extent of risk the Board is willing to take in achieving GSK's strategic objectives.

The Board, via the Committee, also oversaw the effectiveness of our internal control environment and risk management processes across the Group for the whole year, up to the approval date of this Annual Report.

A review of the Group's risk management approach is further discussed in the 'Risk management' section of the strategic report on pages 51 to 64.

The management of each principal risk is explained in 'Principal risks and uncertainties' on pages 285 to 295. The Group's viability is discussed in the Group risk management section of the strategic report on page 64.

Significant issues relating to the financial statements

In considering GSK's quarterly financial results announcements and the financial results in the 2022 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 2022 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 168 to 181.

Board committee reports continued

Significant issues considered by the Committee in relation to the financial statements	How the issue was addressed by the Committee
Going concern basis for the preparation of the financial statements	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 the current economic environment and climate change impacts. 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.
Revenue recognition, including returns and rebates (RAR) accruals	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 £5.9 billion at 31 December 2022 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 94 and 95.
Provisions for legal matters, including investigations into the Group's commercial practices	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 2022, the provision for legal matters was £0.2 billion, see Note 32 to the financial statements, 'Other provisions' for more details.
Provisions for uncertain tax positions	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 2022, a tax payable liability of £0.6 billion, including provisions for uncertain tax positions, was recognised on the Group's balance sheet.
Impairments of intangible assets	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 charge of £402 million in 2022. See Note 20 to the financial statements, 'Other intangible assets' for more details.
Valuation of contingent consideration in relation to ViiV Healthcare	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 2022, the Groups' balance sheet included a contingent consideration liability of £5.9 billion in relation to ViiV Healthcare. See Note 33 to the financial statements, 'Contingent consideration liabilities' for more details.
ViiV Healthcare put option	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 £1.1 billion at 31 December 2022.
Consumer Healthcare demerger	The Committee reviewed management's process for presenting Consumer Healthcare as a discontinued operation and the subsequent demerger accounting. The gain on the demerger of £10.1 billion included significant values relating to the fair value of assets distributed and ownership in Haleon retained, the net assets and non-controlling interest distributed/de-recognised and the cumulative foreign exchange recycled. See Note 41 'Acquisitions and Disposals' to the financial statements for more details.

Board committee reports continued

Effectiveness and quality of external audit process

The Committee is committed to ensuring that GSK receives a high-quality and effective external audit. In evaluating Deloitte's performance during 2021, prior to making a recommendation on its reappointment in early 2022, the Committee reviewed the effectiveness of its performance against the criteria which it agreed with management at the beginning of 2021. The detailed criteria used for judging the effectiveness of Deloitte as external auditor are available on 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 the Committee's areas of oversight, including the FRC and Securities and Exchange Commission. During the year the FRC's Audit Quality Review (AQR) team reviewed Deloitte's audit of the Group's 2021 financial statements as part of its annual inspection of audit firms. The Committee received and reviewed the final report from the AQR team which identified no key findings, assessed the audit as requiring limited improvement and noted several areas of good practice.

The Committee sought to ensure that Deloitte would deliver a smooth, thorough and efficiently-executed audit for 2022. In undertaking its review, the Committee considered:

- the overall quality of the audit
- the independence of Deloitte
- whether Deloitte exhibited 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 2022 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
- clarity of the auditor's communications and ways of working
- alignment of the 2021 audit to the Group's investment in Systems, Applications and Products (SAP)
- quality of the audit team's leadership and
- skills and experience of the audit team

The Committee Chair regularly meets independently with the audit partners. The Committee also meets with the auditor privately at the end of each 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 2023, the Committee was satisfied with the:

- effectiveness of the auditor and the external audit process and

- auditor's independence, qualifications, objectivity, expertise and resources

The Committee therefore agreed to recommend the reappointment of Deloitte to the Board at the forthcoming AGM. In making its recommendation, the Committee was 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	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 current audit partner is due to step down from their position after the audit of GSK's financial statements for 2022 has been concluded.

After a robust review process by the Committee, together with the involvement of the CFO, to select their replacement, the Committee approved the appointment of the next audit engagement partner with effect from the financial year commencing on 1 January 2023.

The Committee is satisfied that Deloitte has been managing an orderly handover to the new audit engagement partner to ensure there is a seamless transition and maintenance of high levels of audit quality and effectiveness.

Audit tender

The Committee considers that during 2022 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 is mindful that the 2023 financial year will see a new CFO for GSK and audit partner for Deloitte, which will help further mitigate the risks of any over-familiarity between the company and the auditor.

Board committee reports continued

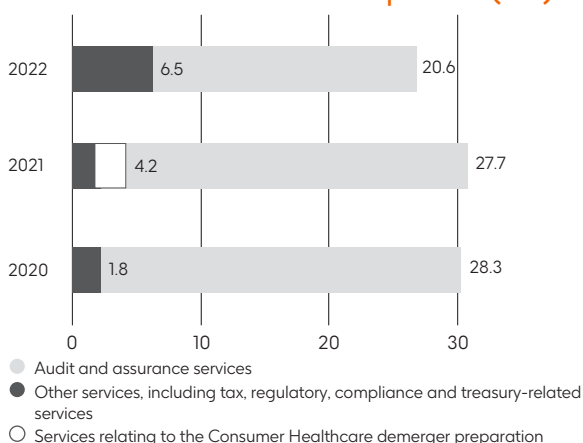
Non-audit services

Management operates on the presumption that other accountancy firms will 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:

Process:	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.								
Safeguards:	Adequate safeguards are established so that the objectivity and independence of the Group audit are not threatened or compromised.								
Fee cap:	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.								
Prohibitions:	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.								
Pre-approval:	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.								
	<table border="1"> <thead> <tr> <th>Value</th> <th>Pre-approver</th> </tr> </thead> <tbody> <tr> <td>More than £50,000</td> <td>Committee Chair and CFO</td> </tr> <tr> <td>Between £25,000 and £50,000</td> <td>Group Financial Controller</td> </tr> <tr> <td>Under £25,000</td> <td>Designate of the Group Financial Controller</td> </tr> </tbody> </table>	Value	Pre-approver	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
Value	Pre-approver								
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)



Note 8 to the financial statements provides further details of fees payable to the company's auditor.

The fees paid to the company's auditor and its associates are set out overleaf. Further details are given in Note 8 to the financial statements, 'Operating profit' on page 199.

During the year, fees for audit-related and other assurance services of £6.3 million included £4.4 million related to the continued work in the year associated with Deloitte's reporting accountant role in preparing for the demerger of the Consumer Healthcare business. Including audit fees in respect of the GSK pension schemes of £0.2 million, fees for audit-related and other assurance services represent 31.6% of the annual audit service fee (2021: 15.2%). Excluding the demerger work and quarterly review work, fees for audit-related and other assurance services would have represented 4.4% of the annual audit fee.

The Committee's rationale for originally hiring Deloitte to undertake the reporting accountant role is set out on page 115 of GSK's 2021 Annual Report.

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 2022.

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 2022 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 2022 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, together with details of our confidential Speak Up lines for reporting and investigating unlawful conduct.

Charles Bancroft

Audit & Risk Committee Chair
9 March 2023

Directors' report

Directors' powers

Our Directors' powers are determined by UK legislation and our Articles of Association, which contain rules about the appointment and replacement of Directors. They provide that Directors may be appointed by an ordinary resolution of the members or by a resolution of the Board, provided that, if appointed by the Board, the Director retires at the next Annual General Meeting following their appointment.

Our Articles also provide that all Directors are required to seek re-election annually at the Annual General Meeting in accordance with the FRC's Code.

A Director will cease to be a Director if he or she:

- becomes bankrupt
- ceases to be a Director by virtue of the Companies Act or the Articles
- suffers mental or physical ill health and the Board resolves that he or she shall cease to be a Director
- has missed Directors' meetings for a continuous period of six months without permission and the Board resolves that he or she shall cease to be a Director
- is prohibited from being a Director by law
- resigns, or offers to resign and the Board accepts that offer
- is required to resign by the Board

Directors' conflicts of interest

All Directors have a duty under the Companies Act 2006 to avoid a situation in which they have, or could have, a direct or indirect conflict of interest or possible conflict with the company. Our Articles provide a general power for the Board to authorise such conflicts.

The Board reviews any new potential or actual conflict, which is recorded by the Company Secretary. Directors are not counted in the quorum for the authorisation of their own actual or potential conflicts. The Nominations & Corporate Governance Committee reviews the Register of Conflicts on an annual basis which the Board subsequently approves.

On a continuing basis, the Directors are responsible for informing the Company Secretary of any such new actual or potential conflicts that may arise or if there are any changes in circumstances that may affect an authorisation previously given. Even when provided with authorisation, a Director is not absolved from his or her statutory duty to promote the success of the company. If an actual conflict arises post-authorisation, the Board may choose to exclude the Director from receipt of the relevant information and participation in the debate, or suspend the Director from the Board, or, as a last resort, require the Director to resign.

The Nominations & Corporate Governance Committee reviewed the register of potential conflict authorisations (the Register of Conflicts) in January 2022. The Committee reported to the Board that the conflicts had been appropriately authorised and that the process for authorisation continued to operate effectively. The Committee then recommended the approval of the Register of Conflicts to the Board which it subsequently approved. Except as described in Note 40 to the financial statements, 'Related party transactions', during or at the end of the financial year no Director or Person Closely Associated had any material interest in any contract of significance with a Group company.

Our Articles prohibit a Director from voting on any resolution concerning his or her appointment or the terms or termination of his or her appointment.

Independent advice

The company has an agreed procedure for Directors to take independent legal and/or financial advice at the company's expense where they deem it necessary.

Indemnification of Directors

Qualifying third party indemnity provisions (as defined in the Companies Act 2006) are in force for the benefit of Directors and former Directors who held office during 2022 and up to the approval and signature of the Annual Report.

Change of control and essential contracts

We do not have contracts or other arrangements which individually are fundamental to the ability of the business to operate effectively. Neither is the company party to any material agreements that would take effect, be altered, or terminate upon a change of control following a takeover bid. We do not have agreements with any Director that would provide compensation for loss of office or employment resulting from a takeover, except that provisions of the company's share plans may cause options and awards granted under such plans to vest on a takeover.

Details of the termination provisions in the Executive Directors' service contracts are given in the full version of the company's 2022 Remuneration policy which is available on gsk.com in the Investors section.

Directors' report continued

Content of the Directors' report

For the purposes of the UK Companies Act 2006, the Directors' report of GSK plc for the year ended 31 December 2022 comprises:

Directors' report

Section	Pages
Corporate governance report	96 to 131
Employee engagement	115
Directors' statements of responsibilities	166 and 167
Investor information	273 to 314

The strategic report sets out those matters required to be disclosed in the Directors' report which are considered to be of strategic importance:

Strategic report

Section	Pages
Risk management objectives and policies	51 to 64 and 285 to 295
Likely future developments of the company	1 to 95
Research and development activities	15 to 28
Business relationships	49 and 50
Diversity	47
Provision of information to and consultations with employees	10, 11 and 47
Carbon emissions	45 and 46
Section 172 statement	112 to 114 and throughout 10 to 63

The following information is also incorporated into the Directors' report:

	Location in Annual Report
Interest capitalised	Financial statements, Notes 17 and 20
Publication of unaudited financial information	Group financial review, page 65
Details of any long-term incentive schemes	Remuneration report
Waiver of emoluments by a Director	Not applicable
Waiver of future emoluments by a Director	Not applicable
Non pre-emptive issues of equity for cash	Not applicable
Non pre-emptive issues of equity for cash by any unlisted major subsidiary undertaking	Not applicable
Parent company participation in a placing by a listed subsidiary	Not applicable
Provision of services by a controlling shareholder	Not applicable
Shareholder waiver of dividends	Financial statements, Notes 16 and 45
Shareholder waiver of future dividends	Financial statements, Notes 16 and 44
Agreements with controlling shareholders	Not applicable

The Directors' report

- has been drawn up and presented in accordance with and in reliance upon English company law and the liabilities of the Directors in connection with that Report shall be subject to the limitations and restrictions provided by such law.
- was approved by the Board of Directors on 9 March 2023 and signed on its behalf by:

Sir Jonathan Symonds

Chair
9 March 2023