GSK UK gender pay gap report

2022



Our 2022 UK gender pay gap data

We believe that being an inclusive and diverse business makes us more successful, because we're making the most of all our people's potential. Creating an inclusive culture where everyone can thrive helps us attract, retain, and motivate the best people. We want our people to reflect the communities we serve and our leadership to reflect our people. We fundamentally believe in fairness and pay equity for all.



In 2022 our UK gender pay gap was -1.36%*, which is the first time we've reported a gap in favour of women. This is a change from 1.18% in 2021. We continue to significantly outperform the UK national average of 13.9% (reduced from 14.9% in 2021).

Part of our commitment to diversity, equity and inclusion includes an aspirational target of achieving over 45% female representation in roles at VP level and above by 2025. In 2022, women represented 49% of all Director level roles, and 42% of our roles at VP and above were held by women, up from 40% in 2021. Our 'Accelerating Difference' development programme for female managers, and the input of our Women's Leadership Initiative ERG have made important contributions to this progress, and we thank all involved.



lain Mackay Chief Financial Officer



Diana Conrad Chief People Officer

Gender pay explained

A gender pay gap isn't the same as unequal pay. A pay gap is the description given to the difference in average pay of groups across an organisation, regardless of role or level. Our gender pay gap data shows the difference in pay of male and female employees. Reporting a positive pay gap means male employees, on average, are paid more than female employees. Reporting a negative pay gap means female employees are paid more than male employees, on average. Equal pay is different and is a direct comparison between individuals. Equal pay considers whether someone is paid comparatively to others doing the same or an equivalent job, regardless of their gender. Unequal pay is unlawful.

*Our GSK UK gender pay gap as outlined in this report, is determined using data for <u>all</u> permanent employees in the UK. This is provided in addition to the legal entity breakdown required by the UK government (which is shown on page 2)

GSK UK workforce



GSK gender pay gap vs. external comparison

Mean				Median					
GSK UK		UK comparison		GSK UK	GSK UK		UK comparison		
2022	2021	2022	2021	2022	2021	2022	2021		
-1.36%	1.18%	13.9%	14.9%	-6.76%	-2.32%	14.9%	15.4%		

Change from 44% and 56% respectively in 2021

Pay Quartiles

Pay quartiles show the distribution of earnings when looking at pay. The UK workforce is divided into four equal groups ranging from the lowest to the highest paid individuals. It shows the proportion of male and female employees in each quartile.

	Lower		Lower middle		Upper middle		Upper	
	2022	2021	2022	2021	2022	2021	2022	2021
Women	45.17%	46.85%	41.10%	40.45%	47.42%	46.05%	45.85%	44.28%
Men	54.83%	53.15%	58.90%	59.55%	52.58%	53.95%	54.15%	55.72%

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Bonus gap (includes long-term incentives and recognition)

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

Mean		Median		
2022	2021	2022	2021	
1.68%	6.14%	-14.76%	-3.26%	

Our 2022 bonus gap at the mean has reduced and we continue to report a bonus gap in favour of women at the median.

The bonus gap is influenced by representation at our most senior leadership levels, as this is where the % of pay at risk (bonus and LTIs) make up a significant part of the total package. We are making good progress against our aspiration to increase female representation at VP and above, and we expect this to have further positive impact on our bonus gap in the future.

In 2022 recognition positively impacted our bonus gap, with our female employees receiving slightly more awards than their male colleagues, and on average, these were of a higher value. In addition, slightly more females received our annual IPT^c (now Ahead Together) awards.

Please note: The bonus pay gap is based on actual payments received with the pro-rating of bonus calculations for part time workers. Pro-ration has an influence on our bonus gap as most of our part time workers are women.

Legal entity breakdown

For gender pay gap reporting the UK Government requires data to be reported by legal entity where there are more than 250 UK-based employees. On 5 April 2022 GSK plc, the parent company of the GSK group of companies had only <u>one</u> legal entity in the UK which met this criterion: GSK Services Unlimited.

Previously we also reported gender pay gap data for Consumer Healthcare, however during 2022 GSK became a pure biopharma company due to the separation of the Consumer Healthcare business and the creation of Haleon. Haleon was established as a legal entity (effective 1 April 2022) and all GSK Consumer Healthcare employees plus those confirmed to be transitioning to Haleon by April 5th were realigned to this new legal entity. As such, our pay gap reports reflect only employees of GSK on April 5th. Haleon is a separate company and is now required to report its gender pay gap to the UK Government separately.

GSK Services Unlimited (9,254 employees)

Pay Gap

Mean		Median	
2022	2021	2022	2021
-1.06%	1.25%	-4.60%	-1.33%

Bonus Gap (annual bonus and long-term incentives)

Mean		Median			
2022	2021	2022	2021		
2.40%	6.98%	-13.21%	-1.33%		

Pay Quartiles

	Lower		Lower middle		Upper middle		Upper	
	2022	2021	2022	2021	2022	2021	2022	2021
Women	45.58%	47.81%	39.14%	39.59%	45.14%	43.95%	46.50%	44.92%
Men	54.42%	52.19%	60.86%	60.41%	54.86%	56.05%	53.50%	55.08%

Note: All calculations follow the specified methodology set out in the UK Government legislation. The mean and median data is reported before salary sacrifice payments were removed.