

# GSK UK gender pay gap report 2021

## Our 2021 UK pay gap data

“A positive experience at work is critical to attract, retain and motivate the best people. We want our people to thrive, be empowered to be themselves, feel good, and keep growing. 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.



We first published our UK gender pay gap in 2017 and are pleased to report that we continue to significantly outperform the national average of 14.9% (which has increased from 14.6% in 2020). Last year we had a pay gap of 1.18%, a further improvement from 1.41% in 2020.

We’re committed to accelerating our progress on inclusion and diversity across the company – and this includes an aspirational target of achieving over 45% female representation in roles at VP level and above by 2025. In 2021, women represented 48% of all Director level roles, and we’re proud that 40% of our roles at VP and above were held by women, up from 38% in 2020. We continue to invite employees to self-nominate for our ‘Accelerating Difference’ development programme for female managers. Our Global Gender Council and Women’s Leadership Initiative ERG provide important input to guide our goals”.

### Gender pay explained

Gender pay gap isn’t the same as equal pay. Pay gap is the description given to the difference in average pay of all men and all women across an organisation regardless of role or level. 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 its male ones, on average. Equal pay is different and is a direct comparison between individuals. Equal pay considers whether someone is paid equivalently to others doing the same or equivalent job, regardless of gender. Unequal pay is unlawful.

**Iain Mackay**  
Chief Financial Officer

**Diana Conrad**  
Chief People Officer

For the 2021 figures, UK legislation asks for calculations based on data collected on 4 April 2021.

## GSK workforce



Change from 45% and 55% respectively in 2020

## GSK gender pay gap external salary comparison

Mean		UK comparison		Median		UK comparison	
GSK UK	UK comparison	GSK UK	UK comparison	GSK UK	UK comparison	GSK UK	UK comparison
2021	2020	2021	2020	2021	2020	2021	2020
1.18%	1.41%	14.9%	14.6%	-2.32%	-2.51%	15.4%	15.5%

## Pay quartiles

Pay quartiles show the distribution of earnings when looking at pay. The 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		
	2021	2020		2021	2020		2021	2020		2021	2020
Women	46.85%	48.20%	Women	40.45%	39.17%	Women	46.05%	45.71%	Women	44.28%	44.96%
Men	53.15%	51.80%	Men	59.55%	60.83%	Men	53.95%	54.29%	Men	55.72%	55.04%

## Bonus pay (includes long-term incentives)

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

### Bonus Gap

Mean		Median	
2021	2020	2021	2020
6.14%	5.35%	-3.26%	-11.79%

We’ve seen a significant improvement in the median bonus gender pay gap since 2017, but a slight decline in the mean bonus gap for 2021 versus 2020. This decline at the mean is largely driven by a small number of men at the most senior leadership levels receiving higher bonus and LTI awards (as our compensation programme increases the value of our bonus and LTI awards by grade). The median figure, which does not consider the few highly rewarded men, reflects a bonus gap in favour of women.

## Bonus pay (includes long-term incentives) continued

Recognition does not impact our bonus gap as last year both men and women received proportionately the same number and value of recognition awards.

The difference between our mean and median bonus pay gaps is because we have a higher proportion of men to women at the most senior levels, while we also have a significant proportion of men at the lowest pay bands who receive lower bonuses (see pay quartile table above). This results in the bonus median for men being pulled downwards and a median bonus pay gap in favour of women.

Note: The bonus pay gap is based on actual payments received with the pro-rating of bonus calculations for part time workers. Pro-ratio is a contributing factor to the size of the reported bonus gap as most of our part time workers are women

## Reporting requirements

The UK Government requires gender pay data to be reported by legal entity where there are more than 250 UK-based employees.

As of 4 April 2021, we had a population of 11,678 employees across four separate legal entities in GSK UK. These are:

- GSK Services Unlimited
- GlaxoSmithKline Consumer Healthcare (UK) Trading (“Consumer Healthcare”)
- ViiV Healthcare (joint venture with Pfizer and Shionogi)
- Galvani Bioelectronics (joint venture with Verily)

GSK Services Unlimited and Consumer Healthcare each have more than 250 employees in the UK. The gender pay data for these legal entities is below.

## Detailed results – by legal entity (where required)

### GSK Services Unlimited (10,232 employees)

#### Pay Gap

Mean		Median		Mean		Median	
2021	2020	2021	2020	2021	2020	2021	2020
1.25%	1.77%	-1.33%	-0.69%	6.98%	3.97%	-1.33%	-9.57%

#### Bonus Gap (annual bonus and long-term incentives)

#### Pay Quartiles

Lower		Lower middle		Upper middle		Upper		
	2021	2020		2021	2020		2021	2020
Women	47.81%	49.14%	Women	39.59%	38.37%	Women	43.95%	44.20%
Men	52.19%	50.86%	Men	60.41%	61.63%	Men	56.05%	55.80%
						Women	44.92%	44.77%
						Men	55.08%	55.23%

### Consumer Healthcare (1,160 employees)

#### Pay Gap

Mean		Median		Mean		Median	
2021	2020	2021	2020	2021	2020	2021	2020
2.48%	1.22%	-7.22%	-9.43%	-1.21%	12.48%	-17.09%	-16.45%

#### Bonus Gap (annual bonus and long-term incentives)

#### Pay Quartiles

Lower		Lower middle		Upper middle		Upper		
	2021	2020		2021	2020		2021	2020
Women	38.83%	37.37%	Women	47.60%	47.06%	Women	53.85%	53.29%
Men	61.17%	62.38%	Men	52.40%	52.94%	Men	46.15%	46.71%
						Women	39.86%	43.25%
						Men	60.14%	56.75%

Our Consumer Healthcare business in the UK comprises 1,160 employees with women representing 45% of the workforce. The Consumer Healthcare population has changed slightly since we reported our 2020 figures and this has led to an increase in the mean pay gap as we now have slightly more women in the lowest paid quartile (from 37.37% in 2020 to 38.83% in 2021) and slightly fewer women in the highest paid quartile (from 43.25% in 2020 to 39.86% in 2021). We continue to report a median pay gap in favour of women (-7.22%), influenced by large volumes of men in manufacturing roles, at relatively lower grades and salaries (61.17% men in the lower quartile and 52.40% in the lower middle quartile).

The mean bonus and LTI gap in Consumer Healthcare shifted significantly between 2020 and 2021. This is now showing in favour of women, moving from 12.48% in 2020, to -1.21% in 2021. While this is positive, it's important to note this data point is more sensitive to fluctuations than the median bonus gap (-16.45% in 2020, and -17.09% in 2021). The 2020 mean bonus gap is a good example of this as it was heavily impacted by the Pfizer joint venture, where those joining received larger bonus pay-outs from January to June 2020. Therefore, if we consider 2020 as an outlier, the bonus gap has moved in favour of women from 4.66% in 2019 to -1.21% in 2021, still a positive shift, but less extreme.

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