

Chair's statement

Another year of strong performance and meaningful R&D progress

2024 provided further evidence that Emma and her executive team have seized the opportunity of the demerger to make fundamental improvements to GSK's operational performance, competitiveness and pipeline.

Our long-term conviction remains that changing population demographics and disease patterns mean that GSK's purpose to get ahead of disease matters more than ever. By delivering innovative new medicines and vaccines to prevent and change the course of disease, GSK is creating sustained value for patients, healthcare systems and society at large. Over time, we are determined that this will also translate into sustained increased value for shareholders.

Strategic progress

GSK continues to perform to a new standard. 2024 marked the third consecutive year of strong sales and core operating profit and earnings per share growth.

We have built a much stronger platform for GSK to deliver consistent and dependable performance, underpinned by a new resilience and sales mix across the portfolio.

This was demonstrated in 2024, with strong performance delivered despite some challenges in Vaccines.

These were outweighed by strong growth across our Specialty Medicines business, with our Respiratory/Immunology, Oncology and HIV franchises all registering double-digit sales growth.

The first phase of GSK's transformation, since the demerger, has built a foundation of consistent execution and delivery. Our medium- and longer-term outlooks also continue to strengthen, with total sales in 2031 on a risk adjusted basis now expected to be more than £40 billion.¹ The priority now is to build on this foundation as GSK moves into the second phase of its transformation, focused on executing pipeline delivery, realising our ambitious 2031 revenue targets and preparing for the next wave of innovation.

Shareholder returns

Equally, the Board recognises that the value of GSK shares does not currently reflect our confidence in these outlooks. The Board is extremely mindful of this and the need to deliver better shareholder value over the short-, medium- and long-term timeframes.

The Board has thought deeply about this gap between the market's view of valuation and our own. While investing in the business will always be the first priority for use of capital, the Board believes that the balance sheet is now strong enough to support a share buyback.

This should be seen as a clear demonstration in the Board's belief in the medium- and long-term growth prospects for GSK.

R&D progress

The company's core focus remains progressing and strengthening the pipeline and R&D performance. This is the number one priority for the Board as a whole and the Science Committee specifically. We continue to constructively challenge the executive team on their scientific and commercial assumptions and the financial returns expected from proposed R&D investments.

The Board was encouraged to see good progress made during the year, both organically and through business development, with 13 positive phase III readouts. This pipeline progress supports the Board's confidence in the delivery of the increased outlook to 2031. As a result, the Board is increasingly turning its attention to pipeline opportunities beyond 2031 based on the company's deep understanding of the immune system and leading capabilities in platform and data technologies.

Disciplined deployment of capital towards R&D remains central to this. We have chosen to both progress and decline business development opportunities over the course of this year, not least as we now see opportunities to accelerate certain assets in Respiratory, Immunology & Inflammation and Oncology.

Remuneration

We continue to evolve our Remuneration Policy to support delivery against the company's goals and seek to further increase alignment of shareholder and management experiences.

In the Remuneration Report we set out proposed changes which seek to both anchor our remuneration against the peer group we compete with and to ensure we are even more focused on incentivising financial over-performance and pipeline over-delivery in the near, mid and long term.

(1) See assumptions and basis of preparation related to 2025 Guidance, 2021-26 and 2031 Outlooks on the inside back cover



Chair's statement continued

We have consulted extensively with shareholders in developing the new proposals, which will be voted on in the usual way at our 2025 AGM.

Resolving Zantac litigation

Beyond the company's strategic and R&D priorities, the Board has focused on reducing unnecessary exposures for the company and shareholders. The retirement of the Zantac risk, through the settling of the vast majority of cases in the US, was clear demonstration of this.

We strongly believe this action is in the best long-term interests of shareholders, helping draw a line under the litigation and providing closure without any admission of liability.

This was a good example of the Board and leadership team working closely together, along with independent experts, to act in shareholder interests.

Culture and responsibility

As I have said before, I believe that one of the strongest drivers of GSK's long-term performance is the culture shift which Emma and her team are driving. This is seen in a focus on behaviours such as accountability and smart decision-making; and continued very high engagement scores among GSK people.

The Board continues to support the long-standing proactive approach taken by the company to build trust and operate responsibly. Through the relevant Board committees, we examined progress in priority areas such as access to medicines, where the company again ranked strongly in external benchmarks in 2024, antimicrobial resistance (AMR), and our climate and nature sustainability commitments.

Board evolution

As I've noted previously, we continue to evolve the Board to ensure we provide robust oversight and scrutiny of management. We have now built deep industry skills and experience across all parts of the biopharma value chain, including strategically important areas to GSK such as genetics, immunology and AI.

In 2024, we were delighted to welcome Dr Jeannie Lee to the Board. Jeannie is Vice Chair of the Department of Genetics at Harvard Medical School. Her deep expertise in scientific and medical innovation, including in the field of RNA biology and epigenetics, which are key parts of GSK's R&D approach, together with her experience in public health, bring a strong additional perspective to Board discussions.

We will also bid farewell to Dr Jesse Goodman, who will step down from the Board at the 2025 AGM having served nine years as a Non-Executive Director. The Board as a whole, and the Science Committee in particular, have benefitted hugely from Jesse's wealth of expertise in infectious diseases, regulation and public health. He has made a fantastic contribution to GSK and we wish him all the very best for the future. As Jesse steps down, we are delighted that Dr Gavin Screaton will join the Board as a Non-Executive Director from 1 May 2025. His deep expertise in immunology and infectious diseases, together with his considerable experience in public health, will help to replace Jesse's skillset and experience; and bring a valuable perspective to the Board.

Conclusion

We believe the company continues to strengthen across all parts of the business. That we have not demonstrated this more in shareholder value is a source of determination to do so. The Board is strongly focused on this and helping the executive achieve the outlooks set, which will ultimately drive investor confidence and in parallel, shareholder value.

There are many things that are precious about GSK but one that sits above all is our people – and the purpose that drives them to improve health and the lives of patients worldwide. I would like to thank all our people, as well as our partners, customers and shareholders, for their continued commitment through the past year. Together, we look forward to another year of success in 2025.

Sir Jonathan Symonds
Chair