GSK Capital Markets Day: Haleon

28 February 2022 at 12.30 GMT

Emma Walmsley – CEO of GSK

Delivering shareholder value

Thank you Sonya.

Hello and a very warm welcome to this GSK capital markets event.

Today marks a significant moment for GSK, as we formally introduce you to Haleon – a new company purely dedicated to everyday health.

It comes ahead of the most significant corporate change for GSK in 20 years: with the demerger of our Consumer Healthcare business planned for July this year.

With it, we will create two new, exceptional companies that will positively impact the health of billions of people around the world.

When I took over as CEO of GSK, I set out new priorities and a capital allocation framework to improve our long-term competitive performance and deliver innovation.

We have made substantial progress, significantly improving both our operating performance and our R&D productivity.

Haleon built through progressive strategic M&A and divestment moves

The steps taken with our Consumer Healthcare business which I joined GSK to shape and build over a decade ago were all designed to accelerate this work.

Strong consumer cashflow has supported investment in the GSK pipeline and delivery of shareholder returns – and, through progressive strategic M&A and divestments moves – we have created significant shareholder value, building a true world-leader in consumer health.

This is the work of tens of thousands of GSK people and their results speak for themselves.

We have significantly increased sales to £9.5 billion, more than doubled EBITDA and created a new, focused business – 100% dedicated to consumer health – with very exciting prospects - and which is now ready for independence.

The launch of Haleon now crystallises all of this work and value for GSK shareholders.

Through a demerger we will unlock the potential of both GSK and Haleon.

A “New” GSK will focus purely on biopharmaceuticals.

With a new purpose: to unite science, talent, and technology to get Ahead of disease, Together.

And, with new ambitions for growth – representing a step-change in delivery for GSK – and starting this year.

Importantly, as a result of the demerger, we will strengthen GSK’s balance sheet with a significant recapitalisation – creating new flexibility to invest in growth and innovation.

With Haleon, we launch a brand new global company – to be listed in London and New York - with very compelling prospects.

Completely dedicated to consumer health, and with an outstanding brand portfolio, it offers a very compelling proposition - to bring deep human understanding, together with trusted science, to deliver better everyday health with humanity.

It is a company full of fantastic, talented people and a highly experienced leadership team led by an outstanding CEO Brian McNamara. It will have a Board with best-in-class international consumer sector experience, as already seen with the appointment of Sir Dave Lewis as Chair designate.

For investors, as a new standalone company, Haleon will have a highly attractive financial profile of above-market sales growth, sustainable margin expansion and high, stable cash generation.

And, as you will also see today, Haleon will be a company strongly committed to ESG performance.

Delivering value for shareholders

So, for GSK shareholders, we are unlocking value and strengthening prospects – bringing new optionality for investment with two new distinctive equity choices.

Both of these companies have the opportunity for large-scale positive, human-health impact, and both of them offer compelling outlooks for growth and attractive returns.

With today's event, we aim to show you the value of Haleon - and to make the case for investing in what we believe will be a strong, highly successful growth-oriented company, capable of delivering sustainable performance, value and returns to shareholders.

It's now my great privilege to hand you over to Brian and his team to share with you the exciting plans and prospects for Haleon.