

GLAXOSMITHKLINE PLC
Form 6-K
February 15, 2018

FORM 6-K

SECURITIES AND EXCHANGE COMMISSION
Washington D.C. 20549

Report of Foreign Issuer

Pursuant to Rule 13a-16 or 15d-16 of
the Securities Exchange Act of 1934

For period ending 15 February 2018

GlaxoSmithKline plc
(Name of registrant)

980 Great West Road, Brentford, Middlesex, TW8 9GS
(Address of principal executive offices)

Indicate by check mark whether the registrant files or
will file annual reports under cover Form 20-F or Form 40-F

Form 20-F Form 40-F

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Indicate by check mark whether the registrant by furnishing the
information contained in this Form is also thereby furnishing the
information to the Commission pursuant to Rule 12g3-2(b) under the
Securities Exchange Act of 1934.

Yes No

GlaxoSmithKline plc (the 'Company')

2018 Performance Share Plan Award and 2018 Performance Measures

2018 Performance Share Plan Award

On 14 February 2018, the Company granted conditional share awards to Executive Directors and Persons Discharging Managerial Responsibilities ('PDMRs') under the GlaxoSmithKline 2017 Performance Share Plan ('the Plan'). The Plan was approved by shareholders on 4 May 2017, and allows a performance-related opportunity in the form of conditional awards to be granted to senior executives in the Group, including the Executive Directors and PDMRs.

Under the terms of the Plan, conditional awards are granted over a specific number of Ordinary Shares or American Depositary Shares ('ADS'), and the percentage of awards that ultimately vests is dependent on the level of achievement against performance targets set by the Remuneration Committee.

2018 Performance Measures

The performance condition information that follows applies to the 2018 Performance Share Plan Awards.

The performance period for the awards is the three financial years from 1 January 2018 to 31 December 2020. The awards are based on three equally weighted performance measures:

| Performance Measure | Proportion of each award |
|--|--------------------------|
| Total Shareholder Return (TSR) | 1/3rd |
| Adjusted Free Cash Flow (AFCF) | 1/3rd |
| Research & Development (R&D) New Product performance | 1/3rd |

TSR measure

This measure compares the TSR of the Company's Ordinary Shares over the performance period with the TSR of the shares of nine (9) other global pharmaceutical companies (i.e. a comparator group of ten (10) companies including the Company).

The vesting schedule is based on delivering 30% vesting for achieving median performance. However, in a group of 10 companies, the median (position 5.5) falls between two companies. Therefore, 0% will vest if the Company's TSR is ranked 6th and 44% will vest if its TSR is ranked 5th, i.e. above median, in the comparator group. The maximum amount will vest for this element, if the Company's TSR is ranked in positions 1, 2 or 3.

The companies in the TSR comparator group are: AstraZeneca, Bristol-Myers Squibb, Eli Lilly, Johnson & Johnson, Merck & Co, Novartis, Pfizer, Roche Holdings, Sanofi and GlaxoSmithKline.

Adjusted Free Cash Flow measure

The use of cash flow as a performance measure is intended to recognise the importance of effective working capital management and of generating cash to fund the Group's operations, investments, and Ordinary dividends to shareholders.

Free cash flow represents the operating profit of the business adjusted for non-cash items after deducting the cost or benefit of working capital, capital expenditure, contingent consideration payments, net interest, dividends paid to non-controlling interests and taxation.

The adjustments to free cash flow, used to set the AFCF target for the purpose of the performance measure, include foreign exchange, legal, special pension contributions, and the impact of divestments and acquisitions. The measure post-adjustment is the "adjusted free cash flow" target.

This element of the award will vest as follows:

| Performance Level | Adjusted Free Cash Flow target | Proportion Vesting |
|-------------------|--------------------------------|--------------------|
| Below threshold | < £ 11.72bn | 0% |
| Threshold | £ 11.72bn | 25% |
| | £ 12.08bn | 50% |
| | £ 13.29bn | 75% |
| Maximum | £ 13.89bn | 100% |

The proportions vesting between the above vesting levels will be calculated on a straight-line basis.

R&D New Product measure

Due to commercial sensitivity, the Remuneration Committee remains of the view that the R&D new product target cannot be published at the time of grant. However, the target and vesting outcome will be disclosed in full at the end of the performance period.

25% of this element will vest if the performance threshold level is attained, rising to 100% for stretching performance exceeding 122% of the set threshold. Below the set threshold, none of this element will vest.

Notes

1. To the extent that each element of a conditional award does not vest at the end of the three-year performance period, it will lapse.
2. The Executive Directors or PDMRs in the transaction notifications below were each granted a conditional award under the terms of the GlaxoSmithKline 2017 Performance Share Plan. Awards granted are of Ordinary Shares or ADS.
3. Dividends will accrue on the conditional award of Ordinary Shares or ADS during the performance period, but will only vest to the extent that the awards themselves vest at the end of the performance period. These dividends are not included in the figures below.
4. For Executive Directors, the award is subject to an additional vesting period of two years from the normal vesting date, i.e. five years in total. During the additional vesting period, the relevant Ordinary Shares or ADS would only be forfeited in the event that the Executive Director was terminated for cause.

Transaction notification

1. Details of PDMR/person closely associated with them ('PCA')
 - a) Name Ms E Walmsley
 - b) Position/status Chief Executive Officer
 - c) Initial notification/ amendment Initial Notification
2. Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor
 - a) Name GlaxoSmithKline plc
 - b) LEI 5493000HZTVUYLO1D793
3. Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transaction(s) has been conducted
 - a) Description of the financial instrument Ordinary shares of 25 pence each ('Ordinary Shares')
 - b) Nature of the transaction ISIN: GB0009252882
A conditional award of Ordinary Shares under the Company's 2017 Performance Share Plan.
 - c) Price(s) and volume(s)

| Price(s) | Volume(s) |
|----------|-----------|
| £12.91 | 437,997 |
 - d) Aggregated information n/a (single transaction)
 - e) Aggregated volume Price
 - f) Date of the transaction 2018-02-14
 - g) Place of the transaction n/a

1. Details of PDMR/person closely associated with them ('PCA')
 - a) Name Dr H Barron
 - b) Position/status Chief Scientific Officer and President R&D
 - c) Initial notification/ amendment Initial Notification
2. Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor
 - a) Name GlaxoSmithKline plc
 - b) LEI 5493000HZTVUYLO1D793
3. Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transaction(s) has been conducted
 - a) Description of the financial instrument American Depositary Shares ('ADSs')

ISIN: US37733W1053

b) Nature of the transaction A conditional award over ADSs under the Company's 2017 Performance Share Plan.

| | | |
|---------------------------|----------|-----------|
| c) Price(s) and volume(s) | Price(s) | Volume(s) |
| | \$36.46 | 233,132 |

d) Aggregated information n/a (single transaction)
 Aggregated volume Price

e) Date of the transaction 2018-02-14

f) Place of the transaction n/a

1. Details of PDMR/person closely associated with them ('PCA')

a) Name Mr R Connor
 b) Position/status President, Global Manufacturing & Supply
 c) Initial notification/ amendment Initial Notification

2. Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor

a) Name GlaxoSmithKline plc
 b) LEI 5493000HZTVUYLO1D793

3. Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transaction(s) has been conducted

a) Description of the financial instrument Ordinary shares of 25 pence each ('Ordinary Shares')

ISIN: GB0009252882

b) Nature of the transaction A conditional award of Ordinary Shares under the Company's 2017 Performance Share Plan.

| | | |
|---------------------------|----------|-----------|
| c) Price(s) and volume(s) | Price(s) | Volume(s) |
| | £12.91 | 173,663 |

d) Aggregated information n/a (single transaction)
 Aggregated volume Price

e) Date of the transaction 2018-02-14

- f) Place of the transaction n/a
-
1. Details of PDMR/person closely associated with them ('PCA')
- a) Name Mr L Debruyne
- b) Position/status President, Global Vaccines
- c) Initial notification/ amendment Initial Notification
2. Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor
- a) Name GlaxoSmithKline plc
- b) LEI 5493000HZTVUYLO1D793
3. Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transaction(s) has been conducted
- Ordinary shares of 25 pence each ('Ordinary Shares')
- a) Description of the financial instrument
ISIN: GB0009252882
- b) Nature of the transaction
A conditional award of Ordinary Shares under the Company's 2017 Performance Share Plan.
- c) Price(s) and volume(s)
- | Price(s) | Volume(s) |
|----------|-----------|
| £12.91 | 131,870 |
- d) Aggregated information n/a (single transaction)
- e) Aggregated volume Price
- e) Date of the transaction 2018-02-14
- f) Place of the transaction n/a

1. Details of PDMR/person closely associated with them ('PCA')
- a) Name Mr S Dingemans
- b) Position/status Chief Financial Officer
- c) Initial notification/ amendment Initial Notification
2. Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor

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- a) Name GlaxoSmithKline plc
 b) LEI 5493000HZTVUYLO1D793
 Details of the transaction(s): section to be repeated for (i) each type of
 3. instrument; (ii) each type of transaction; (iii) each date; and (iv) each
 place where transaction(s) has been conducted

Ordinary shares of 25 pence
 each ('Ordinary Shares')

- a) Description of the financial instrument

ISIN: GB0009252882

- b) Nature of the transaction

A conditional award of
 Ordinary Shares under the
 Company's 2017
 Performance Share Plan.

- c) Price(s) and
 volume(s)

| Price(s) | Volume(s) |
|----------|-----------|
| £12.91 | 239,442 |

- d) Aggregated information
 Aggregated volume Price

n/a (single transaction)

- e) Date of the transaction

2018-02-14

- f) Place of the transaction

n/a

1. Details of PDMR/person closely associated with them ('PCA')

- a) Name Mr N Hirons
 b) Position/status SVP, Global Ethics and
 Compliance
 c) Initial notification/
 amendment Initial Notification

2. Details of the issuer, emission allowance market participant, auction
 platform, auctioneer or auction monitor

- a) Name GlaxoSmithKline plc
 b) LEI 5493000HZTVUYLO1D793
 Details of the transaction(s): section to be repeated for (i) each type of
 3. instrument; (ii) each type of transaction; (iii) each date; and (iv) each
 place where transaction(s) has been conducted

Ordinary shares of 25 pence
 each ('Ordinary Shares')

- a) Description of the financial instrument

ISIN: GB0009252882

- b) Nature of the transaction

A conditional award of
 Ordinary Shares under the
 Company's 2017

Performance Share Plan.

| | Price(s) | Volume(s) |
|---|--------------------------|-----------|
| c) Price(s) and volume(s) | £12.91 | 64,407 |
| d) Aggregated information Aggregated volume Price | n/a (single transaction) | |
| e) Date of the transaction | 2018-02-14 | |
| f) Place of the transaction | n/a | |

1. Details of PDMR/person closely associated with them ('PCA')

| | |
|--------------------|------------------------------|
| a) Name | Mr B McNamara |
| b) Position/status | CEO, GSK Consumer Healthcare |

| | |
|------------------------------------|----------------------|
| c) Initial notification/ amendment | Initial Notification |
|------------------------------------|----------------------|

2. Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor

| | |
|---------|----------------------|
| a) Name | GlaxoSmithKline plc |
| b) LEI | 5493000HZTVUYLO1D793 |

3. Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transaction(s) has been conducted

| | |
|--|-------------------------------------|
| a) Description of the financial instrument | American Depositary Shares ('ADSs') |
|--|-------------------------------------|

ISIN: US37733W1053

| | |
|------------------------------|--|
| b) Nature of the transaction | A conditional award over ADSs under the Company's 2017 Performance Share Plan. |
|------------------------------|--|

| | Price(s) | Volume(s) |
|---|--------------------------|-----------|
| c) Price(s) and volume(s) | \$36.46 | 108,502 |
| d) Aggregated information Aggregated volume Price | n/a (single transaction) | |
| e) Date of the transaction | 2018-02-14 | |
| f) Place of the transaction | n/a | |

1. Details of PDMR/person closely associated with them ('PCA')
 - a) Name Mr L Miels
 - b) Position/status President, Global Pharmaceuticals
 - c) Initial notification/ amendment Initial Notification
2. Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor
 - a) Name GlaxoSmithKline plc
 - b) LEI 5493000HZTVUYLO1D793
3. Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transaction(s) has been conducted
 - a) Description of the financial instrument Ordinary shares of 25 pence each ('Ordinary Shares')
ISIN: GB0009252882
 - b) Nature of the transaction A conditional award of Ordinary Shares under the Company's 2017 Performance Share Plan.
 - c) Price(s) and volume(s)

| Price(s) | Volume(s) |
|----------|-----------|
| £12.91 | 225,561 |
 - d) Aggregated information n/a (single transaction)
 - e) Date of the transaction 2018-02-14
 - f) Place of the transaction n/a

1. Details of PDMR/person closely associated with them ('PCA')
 - a) Name Mr D Redfern
 - b) Position/status Chief Strategy Officer
 - c) Initial notification/ amendment Initial Notification
2. Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor
 - a) Name GlaxoSmithKline plc

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- b) LEI 5493000HZTVUYLO1D793
 Details of the transaction(s): section to be repeated for (i) each type of
 3. instrument; (ii) each type of transaction; (iii) each date; and (iv) each
 place where transaction(s) has been conducted
 Ordinary shares of 25 pence
 each ('Ordinary Shares')
- a) Description of the financial instrument
 ISIN: GB0009252882
- b) Nature of the transaction
 A conditional award of
 Ordinary Shares under the
 Company's 2017
 Performance Share Plan.
- | | | |
|------------------------------|--------------------|----------------------|
| c) Price(s) and volume(s) | Price(s) £12.91 | Volume(s) 119,054 |
|------------------------------|--------------------|----------------------|
- d) Aggregated information
 Aggregated volume Price n/a (single transaction)
- e) Date of the transaction 2018-02-14
- f) Place of the transaction n/a

1. Details of PDMR/person closely associated with them ('PCA')
- a) Name Ms K Terrell
 Chief Digital & Technology
 Officer
- b) Position/status
- c) Initial notification/
 amendment Initial Notification
2. Details of the issuer, emission allowance market participant, auction
 platform, auctioneer or auction monitor
- a) Name GlaxoSmithKline plc
- b) LEI 5493000HZTVUYLO1D793
 Details of the transaction(s): section to be repeated for (i) each type of
 3. instrument; (ii) each type of transaction; (iii) each date; and (iv) each
 place where transaction(s) has been conducted
 American Depositary Shares
 ('ADSs')
- a) Description of the financial instrument
 ISIN: US37733W1053
- b) Nature of the transaction
 A conditional award over
 ADSs under the Company's
 2017 Performance Share
 Plan.
- | | | |
|------------------------------|---------------------|---------------------|
| c) Price(s) and volume(s) | Price(s) \$36.46 | Volume(s) 89,961 |
|------------------------------|---------------------|---------------------|

- d) Aggregated information n/a (single transaction)
- Aggregated volume Price
- e) Date of the transaction 2018-02-14
- f) Place of the transaction n/a

1. Details of PDMR/person closely associated with them ('PCA')

- a) Name Ms C Thomas
- b) Position/status SVP, Human Resources
- c) Initial notification/ amendment Initial Notification

2. Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor

- a) Name GlaxoSmithKline plc
- b) LEI 5493000HZTVUYLO1D793

3. Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transaction(s) has been conducted

- a) Description of the financial instrument Ordinary shares of 25 pence each ('Ordinary Shares')
ISIN: GB0009252882
- b) Nature of the transaction A conditional award of Ordinary Shares under the Company's 2017 Performance Share Plan.

- c) Price(s) and volume(s) Price(s) £12.91 Volume(s) 134,972

- d) Aggregated information n/a (single transaction)
- Aggregated volume Price
- e) Date of the transaction 2018-02-14
- f) Place of the transaction n/a

1. Details of PDMR/person closely associated with them ('PCA')

- a) Name Mr P Thomson
- b) Position/status President, Global Affairs
- c) Initial notification/ amendment Initial Notification

2. Details of the issuer, emission allowance market participant, auction platform, auctioneer or auction monitor
- a) Name GlaxoSmithKline plc
- b) LEI 5493000HZTVUYLO1D793
3. Details of the transaction(s): section to be repeated for (i) each type of instrument; (ii) each type of transaction; (iii) each date; and (iv) each place where transaction(s) has been conducted
- Ordinary shares of 25 pence each ('Ordinary Shares')
- a) Description of the financial instrument
ISIN: GB0009252882
- b) Nature of the transaction
A conditional award of Ordinary Shares under the Company's 2017 Performance Share Plan.
- | c) Price(s) and volume(s) | Price(s) | Volume(s) |
|---------------------------|----------|-----------|
| | £12.91 | 84,890 |
- d) Aggregated information n/a (single transaction)
- e) Aggregated volume Price
- e) Date of the transaction 2018-02-14
- f) Place of the transaction n/a

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorised.

GlaxoSmithKline plc
(Registrant)

Date: February 15, 2018

By: VICTORIA WHYTE

Victoria Whyte
Authorised Signatory for and on
behalf of GlaxoSmithKline plc