



**YEAR
IN
REVIEW
2019**

**We're
Ready**



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We're Ready to Create Possible





About This Report

This 2019 Year in Review is an annual report highlighting Gilead’s business performance, corporate activities, and environmental, social and governance (ESG) data.

We align our data collection, measurement and reporting activities with industry-leading frameworks, including the United Nations Global Compact (UNGC), United Nations Sustainable Development Goals (UN SDGs), the Global Reporting Initiative (GRI) and CDP.

This report has been prepared in accordance with the GRI Standards: Core option. This report’s scope includes all entities listed in Gilead’s 2019 [Annual Report on Form 10-K](#) and focuses on ESG topics material to Gilead’s business operations.

The phrase “materiality” as used in the context of this report and our materiality review process is different than the definition used in the context of our filings with the U.S. Securities and Exchange Commission (SEC). Issues deemed material for purposes of this report, and for purposes of determining our ESG strategies, may not be considered material for SEC reporting purposes.



Forward-Looking Statements

This report includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995 that are subject to risks, uncertainties and other factors. These risks, uncertainties and other factors could cause actual results to differ materially from those referred to in the forward-looking statements. The reader is cautioned not to rely on these forward-looking statements. These and other risks are described in detail in Gilead's periodic reports filed with the SEC, including current reports on Form 8-K, quarterly reports on Form 10-Q and annual reports on Form 10-K. All forward-looking statements are based on information currently available to Gilead, and Gilead assumes no obligation to update any such forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements.

Report Content, Period and Boundary

In line with GRI's principles for defining report content, Gilead considered stakeholder inclusiveness, sustainability context, materiality, completeness and other reporting principles when developing this 2019 Year in Review.

The activities and data contained in this report cover the period from January 1, 2019, to December 31, 2019. For any environmental data with 2018 reporting periods indicated, we will provide updated 2019 figures [on our website](#) once data validation and verification is complete. ([See Environmental Data Content, Period and Boundary](#) for more information.)

We regularly re-evaluate the reporting boundaries for material topics to ensure they are current and complete. ([See Materiality](#) for more information on our material topic boundaries.)





A Letter From Our Chairman and CEO Daniel O'Day

When I joined Gilead in early 2019, I saw tremendous potential to build on the company's legacy — a legacy that includes two of the most extraordinary advances in healthcare of the past decade: transforming HIV into a chronic disease and curing hepatitis C. As I reflect on the progress that we made together over the course of the year, I am pleased with how far we have come and tremendously optimistic about our future. We are more than ready for the many opportunities ahead to improve global health.

For Gilead's next chapter, we are applying the same high bar that led to such remarkable advances in HIV and hepatitis therapies, to all the areas in which we believe we can make a difference today. We are building on our strength in antiviral medicine, as well as our expertise in immunomodulation, as we expand into inflammatory diseases and oncology.



As we move forward together, we will continue to focus on our impact beyond innovative medicines: supporting communities, working in partnerships and meeting our significant responsibilities to society as a whole.

We will do all of this from a place of strength. This strength comes from the foundations we put in place in 2019 and all the work done over the past three decades to make Gilead the remarkable company it is today.

A Strategy Focused on Innovation

In 2019 we defined our corporate strategy with three core ambitions: to deliver 10+ transformative therapies over the next 10 years, to become employer and partner of choice, and to provide shareholder value in a sustainable, responsible manner. We have a clear path forward for achieving these ambitions, and the work is already underway.

To deliver medicines that are truly transformational for patients, we are working from our core areas of expertise. That includes, for example, applying our decades of experience in antiviral medicine to developing the next wave of innovation in HIV with long-acting therapies. One example of using our immunomodulation expertise is harnessing a patient's immune system to fight cancer, as with Kite's leading work in cell therapy and our growing pipeline of cancer immunotherapies. We will maintain a focused approach as we grow our diverse network of innovation to access the world's best science and technologies.

People and Partnerships

One of my immediate priorities on joining Gilead was to ensure we have a team of outstanding leaders to shape the company's future. I am very pleased to have such a highly experienced executive team in place, with a diverse mix of experience across specialties and geographies. One of the most important responsibilities of this team is to harness the potential of our ~12,000 talented employees across the globe. I am immensely proud of the work of our global Gilead community. Our employees bring a genuine care and passion to their work that shows up in everything they do.

Gilead knows that no single company or organization can tackle the existing challenges in global health alone. This is why we put so much emphasis on our partnerships at both the community level and with other innovators. In 2019, for example, we partnered with the Elton John AIDS Foundation to introduce a program called RADIANT to address HIV/AIDS in Eastern Europe.

Among our various strategic partnerships and alliances is a partnership that we entered in 2019 with Galapagos, a European-based company focused on inflammatory, fibrotic and other diseases such as rheumatoid arthritis. This partnership expanded our research base overnight and should accelerate the progress of both Gilead and Galapagos in bringing new solutions to patients.

Gilead's strong spirit of collaboration also drove our swift response to the COVID-19 outbreak as we worked in close partnership with governments, regulatory agencies and health organizations to help address this significant challenge to global health.



Moving Forward Sustainably

To reinforce our commitment to the well-being of our employees, the patients we serve, the communities in which we operate and society in general, Gilead considers sustainability in every decision we make.

We publicly committed to reducing our greenhouse gas emissions by 25% by 2025 compared to our 2016 baseline. We continue to utilize the United Nations Sustainable Development Goals as an anchor to our corporate responsibility priorities and remain fully committed to the principles of the United Nations Global Compact.

Throughout this report, you can learn about several initiatives that Gilead has championed, all of which are aimed at ensuring we make a positive social impact while operating in an environmentally responsible manner.

All of us at Gilead are inspired by the opportunities to create a better, healthier world for everyone. As we enter the next decade, we are committed and ready to make that possible. Our next chapter is underway, and I am honored to be part of it.

Sincerely,

Daniel O'Day





A Look at 2019

At Gilead, we work to create a healthier world for all people by delivering innovative therapeutics that aim to prevent, treat or cure life-threatening diseases. We relentlessly pursue advancements in science with the goal of bringing to patients treatments that improve care in areas of unmet medical needs around the world.

In 2019, Gilead welcomed our new Chairman and CEO, Daniel O'Day. He has taken significant steps to prepare the company for future success, including bringing together a combination of tenured leaders and those with notable industry experience, building a senior leadership team that provides Gilead with deep expertise and diversity of thought across a range of specialties, geographies and therapeutic areas. Under his leadership, we entered into and expanded strategic partnerships and collaborations designed to advance scientific discovery and development. We also introduced a new corporate strategy focused on three strategic ambitions:

Our Three Strategic Ambitions



Bring 10+ transformative medicines to patients over the next 10 years.



Be the biotech employer and partner of choice.



Deliver shareholder value in a sustainable, responsible manner.



2019 Financial Highlights

\$22.4B

TOTAL REVENUES

\$9.1B Cash Flows From Operations

\$1.7B Share Repurchases

\$9.1B Research and Development Expenses

\$2.8B Debt Repayments

\$3.2B Cash Dividend Payments

\$25.8B Cash, Cash Equivalents and Marketable Securities



In 2019, Gilead also laid a foundation for achieving these ambitions, as our new strategy focuses us on two scientific areas: building on our strength in antiviral medicine and our growing expertise in immunomodulation. We're ready to take the next step in scientific discovery.

Product Sales

Gilead demonstrated solid financial performance in 2019 with product sales of \$22.1 billion, representing 2% year-over-year (YoY) growth, compared with \$21.7 billion in 2018. For 2019, product sales were \$16.6 billion in the United States, \$3.6 billion in Europe and \$2.0 billion in other locations.

Collaborations

In 2019, we executed 27 strategic collaborations and partnerships, including several equity investments. We set a new standard for partnerships in scientific research and development by expanding our collaboration with Galapagos through a transformative 10-year agreement. We continued to utilize our strong balance sheet to pursue tailored transactions that drive strategic value.

Gilead and Galapagos Launch Expanded Collaboration

In July 2019, Gilead and Galapagos expanded on our existing partnership by announcing a transformative 10-year global research and development collaboration that increases Gilead's research capacity in inflammatory and fibrotic diseases and creates opportunities for both companies to leverage each other's strengths.

Through the collaboration, Gilead will build on the filgotinib partnership and gain access to an innovative portfolio of compounds, including eight molecules currently in clinical trials, more than 20 preclinical programs and a proven drug discovery platform.

The collaboration will allow for closer scientific partnership between the companies: Gilead will have access to Galapagos's established research base, which includes more than 500 scientists, and to Galapagos's unique platform, which utilizes disease-related, human primary cell-based assays to discover and verify novel drug targets.





The “Why” Behind Our Work

For more than three decades, Gilead has pursued and achieved medical breakthroughs once thought impossible. Our relentless pursuit of innovation is focused on the goal of creating a healthier world, through the treatments we develop and the ways we conduct business throughout the world. We set out to make the impossible, possible.

Gilead has helped transform care for people living with HIV, developing pioneering medicines including the world’s first single tablet regimen to treat HIV and the first medicine to prevent HIV infection. We also applied the same tenacity, innovation and focus to hepatitis C, delivering four curative hepatitis C therapies in less than four years. And we continue to pursue transformative science to bring significant breakthroughs, and in some cases cures, to patients.

Building on our strength in antiviral medicines and our growing expertise in immunomodulation, our teams around the world are bringing perseverance, determination and courage to the discovery and development of the next generation of medicines, in areas like oncology and inflammation.



Our ~12,000 employees are working to transform the way we prevent, treat and cure disease. Our employees' dedication and focus has been the foundation of our past success and will enable our future success. We are deeply committed to attracting, developing and retaining the brightest minds in our industry, and constantly seek to evolve our workplace to achieve our ambition of being the biotech employer of choice. And because we can't do it alone, we are pursuing a forward-looking approach to collaboration that allows us to build our innovation network and accelerate pioneering treatments.

We are working to create a better, healthier world for all people to live in. Gilead recognizes that advancing scientific discovery is only one aspect of improving public health, and we are committed to providing more than just medicine to patients. Our worldwide programs address barriers to care, such as access to treatment, stigma and discrimination, as well as healthcare disparities around the world. For more than 15 years, we have worked to make our medicines available in resource-limited countries. Not only are we determined to improve health through our treatments, we are pursuing a worldwide sustainability strategy to reduce the impacts associated with our supply chain, manufacturing and distribution of our products, and operations of our corporate facilities.



What We're Doing to Address Global Challenges

To help create a better future for all people, Gilead is committed to the principles outlined in the United Nations Global Compact (UNGC) and the United Nations Sustainable Development Goals (UN SDGs).

The UNGC calls for companies to align their operations with 10 universally accepted principles on human rights, labor, the environment and anti-corruption. Stemming from the UNGC, the UN SDGs identify 17 impact areas that will help society achieve a better and more sustainable future.

Aligning Gilead's existing sustainability and social practices within the UNGC and the UN SDG frameworks allows us to better convey our commitments to our patients, local communities, society and the planet. Although Gilead supports all 17 of the UN SDGs, we have identified specific goals where we can deliver our greatest influence and positive impact. In particular, Gilead's mission to provide lifesaving therapeutics to marginalized and underserved communities aligns strongly with UN SDG 3, "Good Health and Well-Being." As we expand our business and operations, we strive to continue supporting global health and sustainable development.

Our priority UN SDGs are displayed on pages 22 and 23. UN SDG icons are also used throughout this report to highlight areas where our work corresponds with specific goals. Additional information on alignment between our work and the UN SDGs can be found in the GRI Content Index of this report.



GILEAD
COMPASS
INITIATIVE



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Live love respect
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2019





Priority UN SDGs Covered in This Report



GOOD HEALTH AND WELL-BEING

We expand access to innovative therapeutics that improve human health worldwide. We aim to help end epidemics of AIDS and hepatitis and combat other communicable diseases.



QUALITY EDUCATION

We educate and train healthcare providers on advanced therapies, especially in resource-limited countries.



GENDER EQUALITY

We cultivate an inclusive and diverse workforce that celebrates differences in race, age, gender, sexual orientation, gender identity and thinking style.



CLEAN WATER AND SANITATION

We protect water-dependent ecosystems by using natural bioswales and water conservation measures.



AFFORDABLE AND CLEAN ENERGY

We generate and purchase renewable energy to offset grid-supplied energy at some of our worldwide facilities.



INDUSTRY, INNOVATION AND INFRASTRUCTURE

We leverage science and innovation to develop industry-leading therapeutics for areas of unmet medical need.



REDUCED INEQUALITIES

We formed a Diversity Council in 2018 to enhance our inclusion and diversity initiatives worldwide.



RESPONSIBLE CONSUMPTION AND PRODUCTION

We use green and sustainable chemistry where possible to produce therapies that benefit human health while minimizing environmental impact.



CLIMATE ACTION

We are committed to reducing our greenhouse gas emissions by 25% by 2025 compared with 2016 levels.



PARTNERSHIPS FOR THE GOALS

We forge internal and external partnerships to improve patient care, strengthen health systems, and reduce social and environmental impacts.



We're Ready for More Scientific Breakthroughs





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At a Glance

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Gilead has always focused on pursuing transformative science. As we seek to leverage opportunities in our expanding pipeline, we're ready to make new scientific discoveries that could help us develop therapies to prevent and treat life-threatening diseases around the world. Gilead's scientists are seeking to bring forward the next generation of medicines through internal innovation and partnerships across the industry.



3 Pipeline 9 and Portfolio

We're working toward a future where any disease can be prevented, treated or cured. Our scientists have developed therapies that have revolutionized the standard of care for many medical conditions, and in 2019 we refocused our efforts on strategies and initiatives that will build on our history. We continue to pursue transformative science through in-house research, as well as strategic collaborations and partnerships.





R&D: Our Commitment to Science

Gilead is strengthening and expanding our pipeline by building on our strength in antiviral medicines, as well as our growing expertise in immunomodulation, including through strategic acquisitions and external partnerships that have led to scientific advancements for inflammatory diseases and cancer. We believe this work has enormous potential to impact human health. At the end of 2019, we had 40 clinical-stage programs, with 14 programs in registrational or label-enabling studies and four programs with Breakthrough Therapy designation from U.S. Food and Drug Administration (FDA).

External Innovation Center

Gilead is committed to pursuing innovative therapies for life-threatening diseases, and we know we can't do it alone. That's why we're forging a new model for collaboration and partnership that will help ensure we have access to some of the world's best science and technology.

In September 2019, Gilead established the External Innovation center with the goal to rapidly increase the size and diversity of our pipeline. Firmly aligned with Gilead's science-driven approach, the focused approach to external innovation will bring breadth and diversity to our overall research efforts. At the same time, we will retain a high bar with a focus on quality as much as quantity. This model is intended to increase Gilead's pipeline substantially, allowing us to deliver more medicines to patients more quickly. ([See Partnerships and Collaborations: Setting the Stage for Transformative Treatments](#) for more information.)







HIV: Innovating to Improve the Patient Experience and Health Outcomes

Gilead has been instrumental in helping transform HIV from a fatal disease to a preventable or manageable condition for many people. Now we are building on our long history of innovation in HIV therapies to develop new options for prevention and treatment, and to continue making progress on the path toward finding a possible cure.

One of our most promising research targets in 2019 was GS-6207, an investigational small molecule capsid inhibitor designed to disrupt the protein shell that protects the viral genome, interfering with multiple stages of the virus's replication cycle. GS-6207 is being evaluated for its potential to become part of a future, long-acting combination therapy — and is being investigated as an injectable treatment that could be administered every three or six months. Gilead is the first company to reach the FDA clinical research stage with a capsid inhibitor. Preclinical and Phase 1 clinical research on GS-6207 has shown potent antiviral activity with no identified serious adverse effects, and in vitro laboratory experiments have demonstrated that the antiviral activity of GS-6207 was not affected by the presence of mutations associated with resistance to the four main classes of HIV drugs.

Gilead works with a variety of governmental agencies and community partners to expand access to healthcare services, and to help address HIV-related societal disparities. Our efforts include medication donations and support of programs such as Gilead COMPASS (COMmitment to Partnership in Addressing HIV/AIDS in Southern States) Initiative® to develop solutions that meet the unique needs of the communities hardest hit by the epidemic.



New Data on HIV Prevention, Treatment, Cure Research

Despite the progress made in treating and preventing HIV over the years, we know more must be done. Our research and development teams are pursuing multiple efforts to develop new treatment options and prevention therapies while continuing to pursue our ultimate goal of discovering and developing a cure.

Prevention

People at risk of HIV infection today have more options to protect themselves than ever. Truvada® (emtricitabine 200 mg/tenofovir disoproxil fumarate 300 mg) for HIV pre-exposure prophylaxis (PrEP) has been available since 2012, and in October 2019, the FDA approved Descovy® (emtricitabine 200 mg/ tenofovir alafenamide 25 mg) for PrEP.

In May 2019, Gilead committed to donating up to 2.4 million bottles of PrEP medication per year through 2030 to the U.S. Centers for Disease Control and Prevention (CDC), to be provided at no cost to people without insurance coverage and at risk for HIV. Donations of Truvada for PrEP® and Descovy for PrEP® are part of Gilead's support of national efforts to prevent HIV and end the epidemic. We also provide significant discounting of our HIV medicines for federal and state government healthcare and drug assistance programs.

Data suggest that use of PrEP medicines may be helping reduce the rate of new HIV infections across the United States. Gilead researchers analyzed data collected by the CDC from 105 U.S. metropolitan statistical areas (MSAs), national pharmacy and medical claims databases, and pharmacy data for treatment as prevention from HIV-



suppressed individuals in 38 states and Washington, D.C. In this statistical model, the analysis found that between 2012 and 2017, use of PrEP among at-risk individuals was associated with an overall 15.2% decline in new HIV diagnoses. MSAs with the highest rates of PrEP use showed the greatest decreases in new diagnoses. Projecting out five years, the analysis suggests that if 50% of people at high risk of HIV infection were using PrEP, the rate of new HIV diagnoses could potentially decline as much as 40.7%.

Treatment

By the end of 2019, Biktarvy® (bictegravir 50 mg/emtricitabine 200 mg/tenofovir alafenamide 25 mg) was the No. 1 prescribed HIV regimen in the United States, with 80% sales growth quarter over quarter since its launch. Gilead continues to research and develop new potential treatments to ensure that patients have safe and effective choices to fit their needs.

Spotlight on China

Gilead continued to expand its presence in China during 2019, with the China National Medicinal Products Administration approving Biktarvy for HIV and Vosevi® (sofosbuvir 400 mg/velpatasvir 100 mg/voxilaprevir 100 mg) for hepatitis C (HCV). We also worked with Chinese authorities to ensure the inclusion of Eplusa® (sofosbuvir 400 mg/velpatasvir 100 mg), Harvoni® (ledipasvir 90 mg/sofosbuvir 400 mg), Vemlidy® (tenofovir alafenamide) and Genvoya® (elvitegravir, cobicistat, emtricitabine, tenofovir alafenamide) on the National Reimbursement Drug List. Starting in 2020, this will provide patients in China with affordable access to key treatments for hepatitis B, HCV and HIV.

In addition to securing governmental support for access to medicines, Gilead works with community organizations to help develop and expand patient assistance programs that provide free medicines for HBV and HCV to low-income patients. Gilead also supports local programs for disease education across HBV, HCV and HIV to increase public awareness and reduce stigma and discrimination within communities in China.

Increasing access to safe and effective treatments is vital to public health in the world's most populous country. HCV is the fourth most commonly reported infectious disease in China, with approximately 10 million people living with the disease. China had approximately 150,000 new HIV-1 diagnoses in 2018; the number has increased significantly in recent years, partially as a result of expanded screening. The number of people living with HIV and receiving antiretroviral treatment has also increased.



Our Continued Research Efforts

The investigational capsid inhibitor GS-6207 offers a potential new mechanism for combating HIV by interrupting the activity of the HIV capsid, a protein that surrounds and protects the virus' genetic material and essential enzymes. The capsid inhibitor may interrupt multiple distinct stages of the viral lifecycle, potentially preventing the virus from becoming infectious and gaining access to uninfected cells.

GS-6207 is being evaluated as a potential long-acting medicine that can be administered every three or six months, offering an alternative for patients who prefer not to take a daily pill. In 2019, GS-6207 received Breakthrough Therapy designation from the FDA as a potential therapy for heavily treatment-experienced people living with multidrug resistant HIV, in combination with other antiretroviral agents. Gilead shared preclinical and clinical data from a proof-of-concept study in July 2019, showing antiviral activity over 10 days following a single dose. Additional clinical trials are planned to evaluate the compound in combination with other antiretroviral agents in patients living with multidrug-resistant HIV-1 and in patients new to treatment.

Gilead's scientists are part of a broader industry and academic community working toward the goal of finding a cure for HIV. The challenges are great: Curative therapies will require discovery and development of agents to eliminate the latent HIV reservoir in the blood. These investigational agents include immune modulators, genetically engineered effector antibodies and possibly other approaches that have not yet been framed. In 2019, Gilead shared research data from two studies of investigational toll-like receptor 7 (TLR7) agonists. Phase 1 studies of vesatolimod (GS-9620) found that higher doses of the drug stimulated a range of immune responses, and the compound was well tolerated at all studied doses with no identified serious adverse events. Preclinical testing of GS-986 also produced significant immune system activation while increasing the time to viral rebound. These results support further study of these investigative compounds as part of combination regimens to evaluate their potential to maintain viral remission in the absence of daily antiretroviral therapy.



Advances Against HIV

Ending the HIV epidemic will take more than just scientific advances. We're working with our community partners to address racism, stigma, homophobia and transphobia, particularly in communities disproportionately impacted by HIV.

Visit [Gilead.com/YIR2019](https://www.gilead.com/YIR2019) to learn more about our efforts.



Inflammation

In 2019, by entering into a transformative research and development collaboration with Galapagos, we gained access to Galapagos's scientific research platform and secured licensing and commercialization rights outside Europe to an array of current and future programs. The extended collaboration builds on previous work to bring forward filgotinib, an investigational JAK-1 inhibitor being advanced for rheumatoid arthritis (RA) and other inflammatory diseases, and adds more investigative medicines to our pipeline.

Despite available medications for patients with RA, inflammatory bowel disease and other inflammatory conditions, many patients continue to experience debilitating symptoms and do not achieve disease remission. Our goal is to advance therapies that raise the bar in inflammatory disease management.

Gilead's R&D and strategic collaborations are built on a principle of engaging with patient communities to understand their greatest needs and priorities for new medical treatments. To that end, Gilead submitted a New Drug Application (NDA) for filgotinib for the treatment of RA to the FDA in December 2019, with a priority review voucher with the goal of shortening the anticipated time for review. Filgotinib has also been submitted for regulatory approval in Europe and Japan. At the end of 2019, Gilead had 12 clinical trial programs in inflammatory diseases, including optionable compounds being developed by Galapagos.



Liver Diseases

Gilead's past work in liver diseases has led to the development of medicines that can cure chronic hepatitis C virus (HCV) infection and enable people living with chronic hepatitis B virus (HBV) infection to manage their condition with a daily tablet. Further advancing the state of science in this field requires significant effort. In 2019, Gilead pursued clinical and preclinical research on four compounds to evaluate their potential to cure HBV.

Screening and increasing patient access to treatment is critical. That's why we continue our work to expand hepatitis screening and linkage to care for at-risk individuals and increase access to our medicines around the world. To do this, we actively support the efforts of governments and partner with professional organizations, patient advocacy groups, payers and healthcare professionals who have declared their intention and commitment to work toward the World Health Organization (WHO) goal of eliminating viral hepatitis around the world by 2030.

We also collaborated with PathAI, a leader in artificial intelligence-powered research in pathology, to evaluate machine learning approaches to liver histology assessment for use in diagnosis and treatment monitoring for nonalcoholic steatohepatitis (NASH), a disease that causes fat accumulation and inflammation in the liver and can lead to liver fibrosis and the need for liver transplantation. The Phase 2 ATLAS study of combination and monotherapy investigational treatments for advanced fibrosis (F3-F4) due to NASH missed its primary endpoint (≥ 1 -stage improvement in fibrosis without worsening of NASH). However, some of the compounds in the study produced statistically significant improvements in fibrosis and liver function compared with placebo, suggesting that additional research is warranted into their potential future use as combination therapy. Science is often not a linear, predictable journey, but we remain motivated to help patients with NASH.



Kite Highlights in 2019:

Focused on the Cure

A Note From Christi Shaw

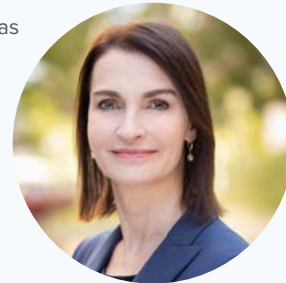
At Kite, we are focused on the cure. This mission is extremely personal as we have the potential to change the way cancer is treated and improve the lives of people living with cancer.

A deep sense of connection to the patients we serve is at the heart of everything we do. We are in a position to help patients with limited treatment options, and our continued pursuit of potentially lifesaving therapies is what drives our entire organization forward.

2019 was a transformative year for Kite, and I am proud to be part of a company pushing the boundaries of science to make a real and meaningful difference for people impacted by cancer. With Yescarta® (axicabtagene ciloleucel), we've treated more than 2,500 people with relapsed or refractory large B-cell lymphoma, and our industry-leading development program could make Kite the first company with multiple commercialized chimeric antigen receptor (CAR) T cell therapies for people in need.

With cell therapy, we're ready to change the way cancer is treated.

Christi Shaw, Chief Executive Officer, Kite, a Gilead Company





“As an independent operating company, Kite is able to focus on its core mission in cell therapy. In the highly competitive oncology field, speed is critical, and I have seen firsthand how autonomy can foster agility, innovation and entrepreneurialism. I am confident that in striking this balance of autonomy and collaboration, Kite will be able to build on the tremendous progress already made to date.”



Daniel O'Day, Chairman and
CEO, Gilead





Meaningful Results in Blood Cancer

Yescarta was the first approved CAR T therapy for the treatment of adult patients with relapsed or refractory large B-cell lymphoma after two or more lines of systemic therapy.

47%

(n=101) of patients in the ZUMA-1 study were alive three years after a single infusion of Yescarta.

EXPANDING INTO NEW HEMATOLOGIC MALIGNANCIES AND EARLIER LINES OF THERAPY

In 2019, Kite presented clinical trial data for investigational KTE-X19, demonstrating its potential as the first cell therapy in adults with relapsed or refractory mantle cell lymphoma; data informed Kite's global regulatory filings for a second CAR T therapy.

93%

of patients (n=60) in the ZUMA-2 study responded to a single infusion of KTE-X19, including 67% of patients with a complete response and 27% with a partial response (median follow-up of 12.3 months).

Kite became the first company to complete enrollment in a clinical trial (ZUMA-7) to evaluate CAR T versus standard of care in second-line diffuse large B-cell lymphoma.

SUPPORTING PATIENT ACCESS TO CAR T

Nearly 170 centers globally are authorized to treat patients with Yescarta — more than any other cell therapy in the world.

Kite provides patients and healthcare providers with access to the Kite Konnect® portal. This customized program uses an integrated technology platform to provide real-time updates and enable the rapid and reliable delivery of Yescarta to treatment centers.



“Most importantly, CAR T works and has shown an approximate 50% complete response rate with durable benefits. This has changed treatment outcomes for appropriate patients with large B-cell lymphoma.”

Dr. David Miklos, Oncologist Specializing in Cell Therapy and Blood and Marrow Transplantation



Shon and his wife, Lisa

“I won’t give cancer any more power. As long as we have a tool in our toolbox to fight, we’ll use it. CAR T was that tool for me.”

Shon, Diagnosed with
Diffuse Large B-Cell Lymphoma



Research and Development at Kite

ADDRESSING UNMET NEEDS IN BLOOD CANCERS WITH:

- **Ten ongoing trials in B-cell malignancies.**
 - Multiple development programs evaluating broader use of Yescarta.
 - Earlier line of therapy in diffuse large B-cell lymphoma.
- **Combinations with immuno-oncology agents.**
- **Studies across a range of blood cancers, including acute lymphoblastic leukemia, chronic lymphocytic leukemia and indolent non-Hodgkin lymphomas.**

EXPANDING THE POTENTIAL OF CELL THERAPY TO SOLID TUMORS: T CELL RECEPTOR (TCR) TECHNOLOGY AND NEOANTIGEN TARGETING

- **Investigational KITE-718, a T cell therapy engineered to express TCRs that target MAGE A3/A6 proteins found in bladder, esophageal, head and neck, lung, and ovarian tumors, and investigational KITE-439, a T cell therapy engineered to express TCRs that target HPV16 antigens found in cervical, head and neck, and other cancers, are currently in Phase 1 trials.**
- **Kite is furthering research and development of adoptive cell therapies targeting patient-specific tumor neoantigens.**

ADVANCING THE NEXT GENERATION OF TREATMENT

We believe cell therapy has the power to fundamentally change cancer care, and we're pursuing every avenue that will help bring it to more patients, including development of allogeneic cell therapies that could be accessed directly in cancer centers.



“Most oncology treatments provide transient remissions lasting only weeks or months. What is transformative about cell therapy is the potential to achieve durable remissions and perhaps one day curative therapy. Kite strives to make these longer-term outcomes a reality.”

Ken Takeshita, M.D.,

Global Head of Clinical Development, Kite,
a Gilead Company

“We are adjusting our approach to treating hematologic malignancies and building on that knowledge to address solid tumors and the different inhibitory mechanisms solid tumors employ to evade elimination. With the right targeting and synthetic biology, Kite has the opportunity to redefine the treatment of solid tumors.”

Peter Emtage, Ph.D.,

Senior Vice President and Global Head
of Cell Therapy Research, Kite, a Gilead Company



Maintaining Best-in-Class Manufacturing

Yescarta is manufactured in Kite's El Segundo, California, facility, and the company continues to further its capabilities and geographic reach.

- **Netherlands (Amsterdam):** Commercial production beginning in 2020.
- **Maryland (Frederick County):** New facility will significantly expand manufacturing for CAR T and TCR therapies and will begin commercial production in 2022.
- **California (Oceanside):** New facility dedicated to development and manufacturing of viral vectors — a critical starting material in cell therapy — to be completed in 2021.
- **Asia:** Partnership in Japan and joint venture in China to extend geographic reach.

“Our global network can rapidly and reliably deliver commercial and clinical therapies to patients today and has the agility and adaptability to meet the demands of tomorrow. As we advance the science of cell therapy, we're making investments to further optimize our end-to-end processes, strengthen our leadership and continuously improve our ability to serve our patients.”

Charles Calderaro, Global Head of Technical Operations, Kite, a Gilead Company



Focused on Innovation

We're building on our strength in antiviral medicine and our expertise in immunomodulation as we expand into inflammatory diseases and oncology.

Visit [Gilead.com/YIR2019](https://www.gilead.com/YIR2019) to explore our pipeline.



17

Partnerships and Collaborations: Setting the Stage for Transformative Science

We do some of our best work in partnership with other leading innovators in our industry. Gilead enters into strategic collaborations that enable us to gain access to new technologies, share complementary strengths and advance innovative science with independent peers. These partnerships are built on a foundation of strong science that offers potentially innovative paths to patient benefit.

In 2019, we established a transformational collaboration with Galapagos, one of the largest independent biotech companies in Europe. We also built relationships designed to advance our efforts and broaden our pipeline in a variety of areas:

- **Liver disease:** Gilead established collaborations and licensing agreements to research novel treatments for nonalcoholic steatohepatitis (NASH) and NASH-related fibrosis with Yuhan Corporation, Novo Nordisk, insitro, Renown Institute of Health and Glympse Bio.
- **Kidney disease:** We entered into a collaboration with Goldfinch Bio to develop novel therapies for diabetic kidney disease and certain orphan kidney diseases, leveraging Goldfinch's proprietary DNA sequencing platform.
- **Oncology:** Gilead worked with Nurix and Carina Biosciences on oncology and immunoncology programs; Kite collaborated with Kiniksa Pharmaceuticals to evaluate an investigational combination of Yescarta and mavrilimumab in relapsed or refractory large B-cell lymphoma.



Eisai: Preparing for Regulatory Approval of Filgotinib in Japan

In December, Gilead announced a partnership with Eisai Co. Ltd. to distribute and co-market filgotinib for rheumatoid arthritis (RA). The announcement followed Gilead's October submission of a New Drug Application for use of filgotinib in RA to the Japanese Ministry of Health, Labor and Welfare (MHLW). If the application is approved, Gilead's Japanese entity (Gilead Sciences K.K.) will be responsible for manufacturing, while Eisai will be responsible for product distribution in Japan. The companies will jointly commercialize the medicine, expanding treatment options for the estimated 600,000 to 1 million people in Japan living with RA.

Nurix: Targeting Proteins to Create New Cancer Treatment Options

In June, Gilead and Nurix Therapeutics Inc. established a multiyear collaboration to discover, develop and commercialize a pipeline of innovative, targeted protein degradation drugs for patients with cancer and other challenging diseases. Nurix will use its proprietary drug discovery platform to identify novel agents that play a role in diseases. Gilead will have an option to license drug candidates directed to up to five resulting targets, potentially expanding the company's pipeline of small molecule therapeutics.

Carna Biosciences: An Innovative Approach to Immuno-Oncology

In June 2019, Gilead announced an R&D collaboration with Carna Biosciences Inc. to develop and commercialize small molecule compounds in immuno-oncology. The agreement enables Gilead to license worldwide rights to develop and commercialize inhibitors against an undisclosed immuno-oncology target. Gilead will also have exclusive access to Carna's proprietary lipid kinase drug discovery platform, which offers an important new approach to the development of innovative cancer immunotherapies targeting the lipid signaling pathway.



Novartis: Respiratory and Herpes Antiviral Research Programs

In July, Gilead licensed three preclinical antiviral programs from Novartis, gaining exclusive rights to develop and commercialize novel small molecules against three undisclosed targets. The preclinical programs include investigational agents with the potential to treat human rhinovirus, influenza and herpes viruses. The two companies hope to increase the limited range of treatment options for these viruses by combining their strengths in antiviral research and development.

Strategic Collaborations and Investments Timeline

In 2019, we executed 27 strategic collaborations and partnerships, including several equity investments, as summarized below:





We're Ready to Inspire Our People





3

At a Glance

4

Gilead's success is built on the work of ~12,000 dedicated, mission-driven employees who embrace a shared sense of purpose and a culture of excellence.

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Our employees continue to bring a spirit of service to the important work of delivering transformative therapies and programs to patients and communities in need.

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Our objective is to make Gilead the employer of choice for the brightest minds in our industry. From creating a culture that maximizes the engagement and potential of every employee, to supporting individual passions by encouraging volunteer time, to modernizing our workspaces to be more collaborative and sustainable, we are ready to set new standards for an inclusive workplace culture that helps everyone create possible.





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Life at Gilead

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Gilead's people are some of the sharpest minds in biotech and beyond, with a passion for improving lives. Our work is guided by a set of core values that drive everything we do.

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We live our values in the work we do every day. And by engaging with communities through volunteering, participating in Gilead's donation matching program, and taking part in roundtable discussions with patients and partners, we demonstrate ways in which our values make a difference in people's lives.

How We Reward, Recognize and Retain Employees

Gilead's compensation and benefits programs are designed to help attract, cultivate and retain the industry's most talented workforce, offering competitive compensation packages that include bonuses and stock grant opportunities to the broad population.

Additional benefits that represent the needs of our people are tailored to our various worldwide locations, and include flexible work arrangements, support for training and education, time-off and family planning benefits, disability and retirement benefits, and access to a variety of health and well-being resources.

Each year, we reassess our Total Rewards package to ensure it offers the right benefits and incentives to help us attract and retain critical talent.



Compensation and Financial Benefits

Gilead is a pay-for-performance company committed to pay equity. Our employee salaries are based on market-based ranges and are assessed annually via performance and career development reviews. All compensation decisions are made without regard to personal characteristics such as gender, race, color, national or ethnic origin, age, disability, sexual orientation, gender identity or expression, genetic information, religion, or veteran status. We also conduct an annual review of employee compensation to ensure that our pay practices are gender-neutral.

Our financial benefits include:

- Retirement savings with matching contributions, available in many countries based on local market practice and regulations*
- Employee Stock Purchase Program (ESPP) that allows eligible Gilead employees to purchase Gilead stock at a 15% discount, consistent with Internal Revenue Service requirements
- Personalized money coaches in the United States who offer each employee 90 days a year of free, one-on-one financial coaching, assisting with anything from managing student loans to paying down debt to planning for retirement

** For detailed information about Gilead's defined benefit plan obligations, visit the 2019 Annual Report on [Form 10-K](#) on the Investors page of our website.*

Gilead's salary
ratio for women to
men globally is

99.93:100





Health and Welfare Benefits

To help our people and their families toward better health in mind and body, we offer a range of market-competitive well-being, extended healthcare and risk benefits in many countries.

Our well-being offerings include biometric screenings, health assessment tools, well-being seminars, and on-site fitness centers or annual fitness reimbursement. Risk benefits include sick days, disability benefits, company-paid life, accidental death and dismemberment, and business travel accident insurance.

Through our Employee Assistance Program, our people can also access financial, legal, pre-retirement, elder care and childcare consultations, as well as clinical counseling and Applied Behavioral Analysis therapy. We also provide fertility support where coverage is possible, which varies by region.

In 2019, we expanded our U.S. health and welfare benefits to include family planning resources such as increased adoption assistance, benefits covering surrogacy assistance and selective egg freezing, and a breast milk delivery service for breastfeeding moms traveling for business. Another new program provides 24/7 support for working parents from pregnancy through the baby's first year, including doula services, lactation consultants, career coaches and parenting specialists.

Time Off

Gilead offers competitive time-off benefits to help our employees remain rested and balanced. Employees get company-paid vacation days and holidays as well as family and parental leave benefits, all of which vary by country and region based on local laws, regulations and market practices.



In 2019, we doubled our Paid Family Time Off and Paid Parental Time Off benefits in the U.S., giving employees 12 weeks to care for a sick family member or bond with a child.

In 2019, more than 99% of our worldwide employees on parental leave returned to work at the end of leave.

PARENTAL LEAVE DATA

	Male	Female	TOTAL
Number of employees entitled to parental leave in 2019*	5,742	5,992	*11,736
Number of employees who took parental leave in 2019	213	380	593
Number of employees who returned to work after leave ended in 2019	211	377	588
Number of employees retained 12 months after returning to work following a period of parental leave in 2018	155	291	445
Number of employees who took a parental leave in 2018 - VG totals	172	308	480
Number of employees who took a parental leave in 2018	184	333	517
2019 return to work rate	99.06%	99.21%	99.16%
2018 return to work rate	99.50%	98.50%	98.80%
2018 retention rate	90.12%	94.48%	92.71%

*2 employees declined to self-identify a gender.



Collaborative Workspaces

In 2019, a cross-functional team from across Gilead set out to redesign our workplace standards to create spaces more representative of the collaborative culture we wish to nurture and enhance. Spaces that encourage fluid movement allow employees to interact and engage, generating the new ideas needed to tackle the world's most pressing health challenges.

We looked at the entire spectrum of workspace options, from open-plan layouts to more traditional office-and-cubicle spaces, and developed four principles that will guide future designs:



1. Increase the number and types of collaboration spaces



2. Maximize natural light by putting open collaboration spaces around the windowed periphery



3. Transition from high-walled gray cubicles to more modern, open workstations



4. Dramatically increase the availability of technology in meeting rooms, cafes, breakrooms and other common areas, to help our people work wherever they need to be

We hope to apply these standards across all our facilities worldwide in the next two years.

G.Flex

In 2019, Gilead introduced G.Flex, a flexible work program that allows employees to tailor where and when they work based on their individual needs. By utilizing the digital technology available across our offices, employees can connect and collaborate from afar while optimizing their efficiency and increasing overall job satisfaction.



Employee Volunteers Do Good for the Holidays

Every December, Gilead and Kite employees participate in community service projects during the holiday season. In 2019, employees in Northern and Southern California, the UK and Ireland, Portugal, Korea, Germany, and Turkey volunteered with local nonprofit groups to conduct toy and book drives, collect clothing, assemble care packages, and raise funds for families and children in need, newborn services, mental health programs, homeless services, individuals living with HIV, and children and pets impacted by domestic violence.

Gilead Employees Give Back

Gilead aims to positively impact the communities where we work and live. Worldwide, we encourage our employees to apply their talents to four core areas of focus: underserved communities, STEM education, environment and health awareness/outreach. We offer one paid day off annually to volunteer with the nonprofit organization of their choice. In 2019, our employees collectively volunteered more than 14,500 hours of their time.

Global Week of Service

Gilead's annual Week of Service brings together employees around the world to make a difference in their communities: preparing meals and collecting donations for people in need, doing cleanup at public parks and community resource centers, and more. In 2019, hundreds of employee volunteers participated in 20 such initiatives, including:



San Francisco Bay Area: Nearly 500 employees from our Foster City campus donated 1,000 combined hours to support charities including Habitat for Humanity, the San Francisco–Marin Food Bank, the National AIDS Memorial Grove, and the Boys and Girls Clubs of Oakland.



Singapore: Employees partnered with NCID Cares to donate and deliver food to people in need.



Korea: Volunteers supplied, packed and delivered 80 care packages to families living in shelters while their children receive care at a nearby hospital.



Southern and Northern California and Maryland: Kite employees volunteered with organizations including Heal the Bay, Family Reach and Baby2Baby.



France: 126 employees supported 28 organizations benefitting food-insecure populations, domestic violence victims and children dealing with illness.



China: Participating in our Week of Service for the first time, employees in our Shanghai and Beijing offices collected books for a primary school for children of migrant families and supported an organization benefitting children with autism.



Brazil: Employee volunteers packed 120 care kits for a nonprofit that provides business education opportunities to disadvantaged teens.

Inspiring the Next Generation of Scientists

To help ensure a diverse and educated pipeline of future scientists, Gilead engages in STEM education initiatives in our local communities and supports our people in related mentoring and volunteer activities. In 2019, we were the main sponsor of the annual WorldWideWomen Girls' Festival, an event that attracted more than 7,000 girls and their families. More than 30 volunteers from Women in Science (a chapter of our Women at Gilead employee resource group) and the Gilead STEM community led an activity at the festival that used cotton candy to show how manipulating crystalline structures can promote better absorption of medicines.



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GILEAD

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We have sponsored various similar events, including University of California, San Francisco's annual Bay Area Science Festival, where employees engaged with youth around science and innovation.

Professional and Personal Development

Gilead's Learning and Development Program fosters a culture of continuous growth, helping our people develop cross-functional skills and tools to grow their careers and deepen their engagement with Gilead's culture.

- In 2019, Gilead employees completed over 57,230 hours of professional, management and leadership development training programs, or an average of 4.2 hours per employee.*
- Employees can receive reimbursement for tuition expenses incurred while pursuing undergraduate, graduate or certificate courses at an accredited college or university. Annual reimbursement maximums and eligibility may vary from country to country.
- Gilead also supports continued education with a discount on MBA programs through Golden Gate University. In 2019, 54 employees participated in the on-site MBA program in Foster City.

* Online courses are assumed to be one hour.

Empowering Employees With Self-ID Options

A truly inclusive workplace is one where all employees feel comfortable bringing their full, authentic selves to work. To create such an environment, we aim to give everyone the tools to identify to the company and to others as they wish to be seen. On U.S. National Coming Out Day in October, Gilead announced a new Self-ID option that allows employees to include sexual orientation and gender identity in the personal information they voluntarily share.

The new option was prompted by feedback from a survey coordinated by the Gilead Pride Alliance in partnership with the Inclusion & Diversity team.

Although personal information remains private, capturing more accurate aggregated data about employees' statuses as members of the lesbian, gay, bisexual, transgender or queer+ (LGBTQ+) community, or as straight allies for equality, helps Gilead develop programs and measure progress for hiring, developing, and retaining LGBTQ+ employees and candidates.



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Diverse Perspectives

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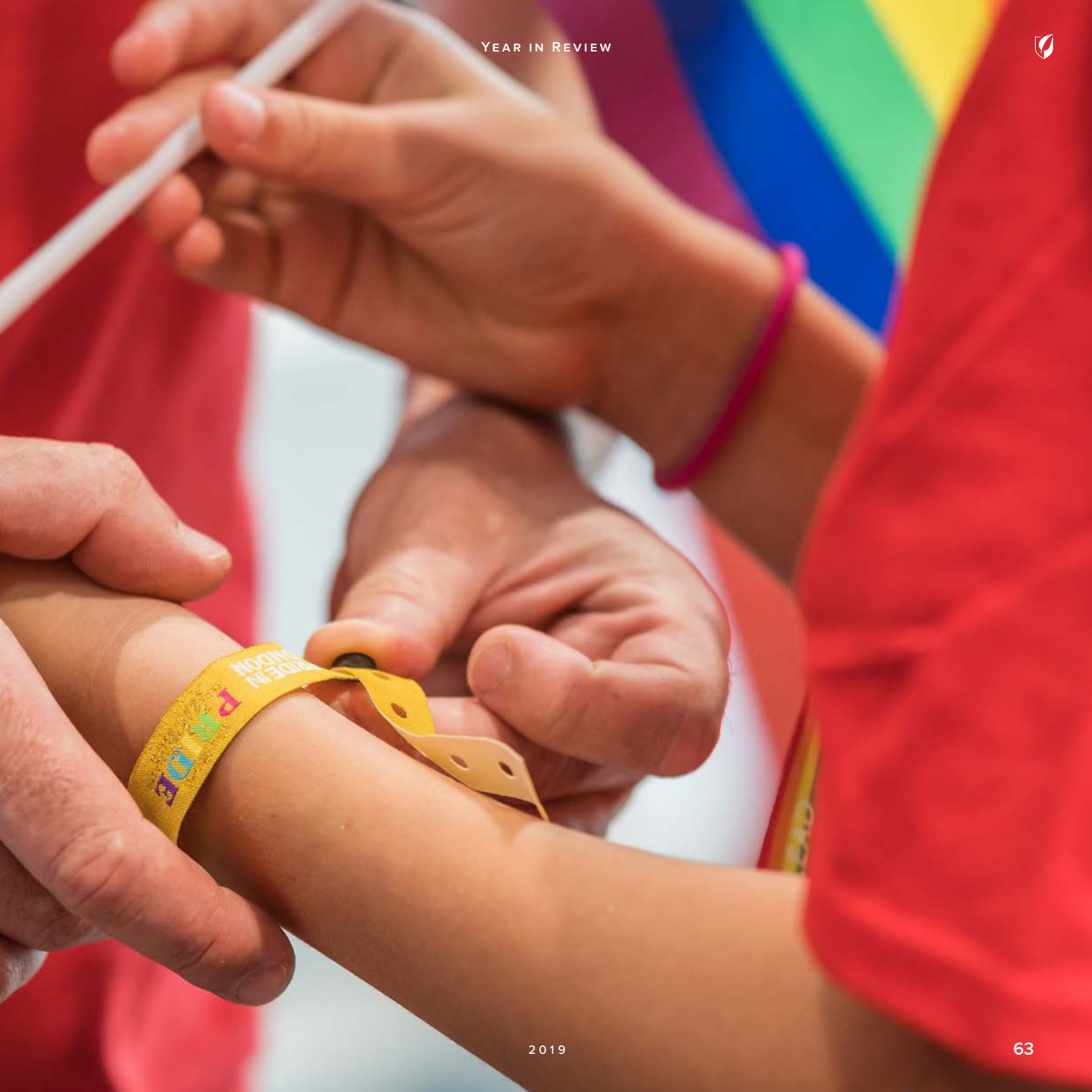
Gilead's success depends on every one of our employees, and the innumerable ways in which we differ are our greatest sources of strength. These include visible features, such as age, sex, ethnicity, physical ability and appearance, as well as underlying distinctions, such as thinking styles, religion, nationality, veteran status, sexual orientation, gender identity and education. Our inclusive and diverse workforce is the foundation for innovation, productivity, insight and empathy that enables us to improve the standard of care for patients all over the world. For more information, visit the [Diversity and Inclusion page](#) on our website.

Communities at Gilead

The key to creating empowering workplace communities is giving employees the scope and support to realize their own ideals. Gilead pursues purposeful initiatives to foster diversity and inclusion at all levels of the company, while also relying on the initiative and energy of our people to help scale these efforts and create a sense of belonging for all.

Employee Resource Groups

In 2019, 52% of Gilead's employees were members of an Employee Resource Group (ERG), which provide opportunities for leadership development, community involvement, networking, mentoring, skills advancement, input into the recruitment of diverse candidates and other ways for Gilead employees to make a difference beyond their usual work responsibilities. ERGs organize events, information campaigns and cultural exhibitions that educate colleagues on issues that are important to each group.





Embracing and Promoting Inclusivity

Gilead embraces the full array of our workforce. We are committed to creating a welcoming culture in which every individual feels seen, heard and respected. In 2019, we achieved a major goal for our inclusion efforts with the announcement of our new Global Gender Identity and Transition Policy.

The policy builds on Gilead's long-recognized core values and practices but formalizes them for the first time in a way that encourages our employees to express their true gender identity, supports those who transition, and aims to foster an affirming workplace for our transgender and gender nonbinary colleagues. Under the new policy, all Gilead employees have the right to:

- Express their gender identity and characteristics at work.
- Choose whether and how much to share of their gender identity and transition with others.
- Be addressed by the name and pronouns that correspond with their gender identity.
- Use the restroom, locker room and other facilities that correspond with their gender identity.
- Be free from harassment or discrimination based on their actual or perceived gender identity, characteristics and expression.

Forbes 2019 Best Employers for Diversity List

Gilead is proud to rank in the top 500 companies on the Forbes Best Employers for Diversity list.

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Global Workforce

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Gilead's worldwide staff has grown to ~12,000 employees across more than 35 countries. We strive for a close, creative and collaborative culture where all our employees can see the tangible results of their contributions and have a chance to enhance their skills through ongoing development.

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Workforce Demographics

At Gilead, every individual matters, as does everyone's individuality. We're continually seeking opportunities to diversify our workforce, and data is an important part of that process. Each year, we review total new hires, voluntary turnover, and metrics on gender, race, ethnicity and other identifiers to measure the success of our inclusion and diversity goals.

The following is a snapshot view of Gilead's 2019 workforce demographics:

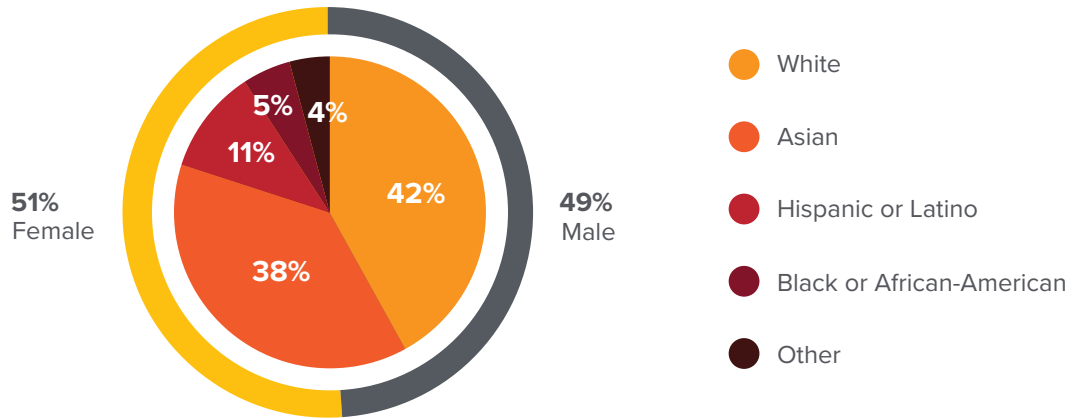
	2017	2018	2019
New Hires*	1,155	1,997	2,208
New Hire Rate	12.70%	19.20%	18.80%
Voluntary Turnovers	781	937	925
Voluntary Turnover Rate	8.50%	9%	8.20%

*New hire data includes individuals who were hired externally.
Existing employees that changed positions internally are not included in this calculation.



UNITED STATES GENDER, AGE AND RACE/ETHNICITY DISTRIBUTION*

TOTAL GILEAD U.S. POPULATION



2019 DATA

EEO-1 Category*	Gender		Race/Ethnicity				
	Male	Female	White	Black or African-American	Hispanic or Latino	Asian	Other**
Executives***	67%	33%	65%	9%	1%	23%	2%
First-/Midlevel Managers	51%	49%	45%	5%	7%	38%	3%
Professionals	46%	54%	35%	4%	10%	48%	3%
Total Gilead U.S. Population	49%	51%	42%	5%	11%	38%	4%

*Data based on U.S. definitions/demographics as of 2019 EEO-filing (based on December 31, 2018 data and includes Kite). Some percentages may not add up to 100% due to rounding.

**"Other" category includes two or more races, Native Hawaiian or Pacific Islander and American Indian or Alaskan Native categories.

***Executives compose less than 2% of Gilead's U.S. population and make up governance bodies that comprise VP levels and above.



Workforce Safety

Gilead believes that a safe and secure workplace not only promotes our peoples' health, wellness and productivity but also inspires innovation. Our workplace safety, training and security program is designed to prevent occupational injuries and illnesses and to promote a culture of reporting. To ensure continued adherence to the program's policies and procedures, we provide employees with annual refresher courses, as well as tailored training sessions, and investigate and catalog incidents and near-misses worldwide.

In 2019, the most frequent work-related injuries resulted from musculoskeletal extremity and upper torso strains that were caused by ergonomic hazards. The individuals affected were unable to recover fully within six months.

Our team meets quarterly to review environmental and safety performance across all our worldwide sites, while joint management-line health and safety committees review site-level performance. Where incidents occur, on-site teams complete in-depth reviews to identify the causes and determine how to mitigate the risk of recurrence.

FTE AND NON-FTE EMPLOYEES

	2018	2019
Number of fatalities as a result of work-related injury	0	0
Rate of fatalities as a result of work-related injury	0	0
Number* of high-consequence work-related injuries	2	4
Rate of high-consequence work-related injuries	0.02	0.03
Total number of recordable work-related injuries	74	58
Annual total hours worked	22,648,146	25,838,515
Rate of recordable work-related injuries	0.65	0.45

The above data is for full-time employees and non-full-time employees.

*The number of high-consequence work-related injuries is based on lost time/days away and restricted workday cases reported to OSHA.





We're Ready for a Healthier World

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Adat Bersama kita
Malam Rembulan AIDI Nusantara 2019

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At a Glance

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Gilead recognizes that improving public health requires more than just medicine. Our goal is to bring 10+ transformative therapies to patients in the next 10 years.

We aim to help create a healthier world for all people through worldwide programs that address issues such as stigma and access, as well as healthcare disparities that persist in all regions of the globe. To do so, we work in collaboration with governments, health authorities, nongovernmental organizations and private-sector organizations to create and implement community partnerships, access and pricing initiatives, and innovative programs that extend access to those who need it.



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Giving Back to Our Communities

Patients and communities often face challenges in accessing the best possible care. We know Gilead alone cannot solve these challenges — so we are committed to be an important part of the solution. By joining forces with people in communities throughout the world, we support programs and initiatives that meet unique local and regional needs. Through our partnerships with community organizations, we work to help improve access to care, reduce disparities, improve education and support local communities.

Gilead's corporate giving programs fund projects that support underserved communities, which systematically experience social or economic obstacles to health. Our goal is to partner with patients and communities to build collaborative solutions that help extend access to care as broadly as possible. We build relationships with patient advocates, nonprofits and healthcare professionals around the world who work tirelessly in local communities to improve people's lives day after day.

In 2019, Gilead provided \$380 million in cash donations in an effort to reduce health disparities, eliminate the barriers to healthcare encountered by underserved populations, advance education among healthcare professionals and support the local communities in which we operate.



RADIAN

Every day, more than 400 people in Eastern Europe and Central Asia (EECA) become infected with HIV, and more than 100 die from AIDS every day.¹ Although rates of new HIV infections and deaths from AIDS-related illnesses are now decreasing globally, EECA is one of the few regions where HIV is on the rise and deaths from AIDS have increased by approximately 300% in the past 20 years.² The region's investment gap in HIV treatment and prevention — the difference between available funding and estimated need — is nearly \$1 billion.³ In 2019, Gilead and the Elton John AIDS Foundation decided to build on our existing collaboration in the region to create the RADIAN initiative, which extends much-needed support and funding to some of the world's most marginalized communities.

The RADIAN initiative incorporates a Model Cities program, which directs resources to communities in need that are immediately ready to scale interventions through targeted funding. For communities that aren't quite ready to scale their programs, the RADIAN "Unmet Need" fund will provide capacity-building support to local initiatives that focus on prevention and care, education, community empowerment, and novel partnerships. By partnering with local organizations, RADIAN will leverage on-the-ground insights and share best practices to help make meaningful progress across the region.

¹[UNAIDS Data 2019](#)

²[UNAIDS Data 2017](#)

³Estimate based on 2018 funding versus 2020 estimated need.



Addressing Stigma in the Asia Pacific Region

Our Rainbow Grant program supports grassroots community advocates working to provide access, improve education and reduce stigma around HIV treatment and care.

Visit [Gilead.com/YIR2019](https://www.gilead.com/YIR2019) to meet our grantees.





CONNECT
KENTUCKY



HepConnect

The U.S. opioid crisis has led to a sharp increase in HCV infections in the Greater Appalachia region. The CDC reports that HCV infections in Central Appalachia rose 364% between 2006 and 2012.

In response, Gilead's new HepConnect program — a five-year, multimillion-dollar initiative — supports evidence-based solutions to meet the needs of people most affected by the crisis in Indiana, Kentucky, North Carolina, Tennessee and West Virginia. In partnership with the Harm Reduction Coalition and local organizations, HepConnect is working to:

- Expand screening and linkage to care,
- Support harm reduction and community education, and
- Activate health infrastructure to build resources, know-how and capacity in communities where the need is greatest.

In 2019, HepConnect awarded \$5.3 million to 44 grantees across the region. Organizations received grants to provide new or expanded harm-reduction services for people who use drugs, or grants to offer new strategies to engage and educate local communities on harm reduction.



HIV Age Positively®

In the early days of the HIV epidemic, few people imagined the challenges of aging with HIV. Now, thanks to advances in treatment and care, people with HIV are living longer than many imagined at the height of the epidemic. Estimates suggest that by 2030, more than 80% of people living with HIV will face at least one age-related medical condition, compared with just 29% in 2010.

We've seen incredible progress over the past three decades when it comes to treating people living with HIV. Still, we recognize that aging with HIV brings unique challenges and considerations. With the goal of addressing such challenges, Gilead launched the HIV Age Positively initiative in 2018 in the UK. In 2019, we expanded our efforts to the U.S. by first convening [an advisory board of experts](#) with deep insights into the subject of aging with HIV.

The advisory board explored opportunities for Gilead and our partners to positively impact this community. Members included healthcare providers, researchers and community advocates. The group determined that addressing the interrelated issues within our healthcare system and the general HIV community — such as stigma, loneliness and better coordination of care — is essential in reaching a viable solution to these challenges.

As a result of the advisory board's findings, Gilead determined to provide \$17.6 million in grants to 30 organizations tackling three priority areas in the U.S.:

1. Improving care coordination
2. Increasing resources for well-being
3. Educating and informing policy



A TALE OF TWO CITIES:

Almaty and Atlanta

Although a world apart, Almaty, Kazakhstan, and Atlanta, Georgia, have a lot in common. Both are seeing an increase in new HIV infections, a spike in HIV-related deaths and disproportionate impacts on healthcare due to stigma. Through grassroots advocacy and outreach, Gilead and its partners are empowering communities across continents to end these trends.

Addressing Unmet Needs:

Gilead takes a comprehensive approach to help support people and organizations working in some of the most vulnerable communities around the world — maximizing impact through local partnerships to improve education, access and health outcomes.



Welcome to Almaty Kazakhstan

In 2019, Gilead partnered with the Elton John AIDS Foundation to launch RADIANT, a groundbreaking initiative that aims to stop new HIV infections and deaths from AIDS-related illnesses in Eastern Europe and Central Asia (EECA).



ALMATY, KAZAKHSTAN'S LARGEST CITY AND THE FIRST RADIAN "MODEL CITY," IS HOME TO:



PEOPLE LIVING WITH HIV (PLWH)



OF PLWH IN KAZAKHSTAN



PREVALENCE RATE OF PLWH NATIONALLY

HIV IS ON THE RISE IN EECA:



NEW HIV INFECTIONS DAILY



AIDS-RELATED DEATHS DAILY



OF PLWH ARE UNAWARE OF THEIR STATUS



OF PLWH ARE UNTREATED

THE RADIAN APPROACH:



INVESTMENT OVER FIVE YEARS



TARGETED SUPPORT IN KEY EECA CITIES TO STRENGTHEN LOCAL INITIATIVES



SUPPORTING PROJECTS IN UP TO 25 COUNTRIES

At Gilead, we have always believed in taking an inclusive approach to ending the HIV epidemic and are proud to continue actively working in partnership with others to achieve zero discrimination, zero new HIV infections and AIDS-related deaths by 2030.

SOURCES:

Radianhiv.org

[UNAIDS Data 2019](#)

[UNAIDS Data 2017](#)

[Kazakh Scientific Center of Dermatology and Infectious Diseases – 2019 Report](#)

[Almaty City AIDS Centre](#)



Welcome to Atlanta

Georgia, USA

The COMPASS Initiative is a 10-year, \$100 million commitment from Gilead to partner with community-based organizations working to combat the HIV/AIDS epidemic across the Southern United States.

“Our goal is to help mobilize communities to work more effectively together with a collaborative spirit.”

Neena Smith-Bankhead, MS, Emory University
COMPASS Coordinating Center, Atlanta



ATLANTA, THE FIFTH-LARGEST METRO AREA IN THE SOUTHERN U.S., IS HOME TO:

37K+

PEOPLE LIVING WITH HIV

2ND
Highest

PREVALENCE RATE OF PLWH NATIONALLY

6TH
Highest

RATE OF PLWH AMONG U.S. METRO AREAS

THE SOUTHERN UNITED STATES IS DISPROPORTIONATELY AFFECTED BY THE HIV EPIDEMIC:

37%

OF THE U.S. POPULATION

51%

OF NEW HIV INFECTIONS IN THE U.S. ANNUALLY

433K+

PLWH

49%

OF ALL HIV-RELATED DEATHS IN THE U.S.

THE COMPASS APPROACH:

\$100
Million

COMMITMENT OVER 10 YEARS

EMORY UNIVERSITY ROLLINS SCHOOL OF PUBLIC HEALTH:

Capacity building and knowledge sharing

COORDINATING CENTERS:

Fund local organizations based on focus areas

SOUTHERN AIDS COALITION:

Awareness, education and anti-stigma campaigns

GRANTEES:

Deliver resources to address community needs

UNIV. OF HOUSTON GRADUATE COLLEGE OF SOCIAL WORK:

Well-being, mental health and trauma-informed care

SOURCES:

Local Data: Atlanta (AIDSVU)
HIV Prevention in the South (CDC)
Diagnoses of HIV Infection among Adults and Adolescents in Metropolitan Statistical Areas United States and Puerto Rico, 2017 (CDC)

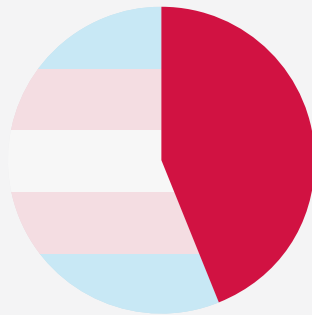


TRANScend™

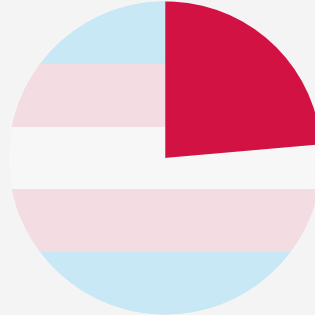
Transgender people are one of the groups most affected by the HIV epidemic.
The CDC estimates that:

14%

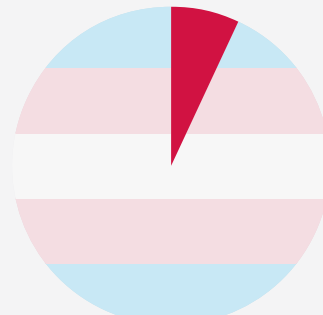
of all Transgender women are living with HIV, including:



44%
of Black/African-American
Transgender women



26%
of Hispanic/Latina
Transgender women



7%
of White
Transgender women



3x

Transgender people were three times more likely to receive a new HIV diagnosis than the national average in 2017.



~1/2

About half of Transgender HIV diagnoses from 2009-2014 were of people living in the Southern U.S.

In 2019, Gilead launched the TRANScend Community Impact Fund to back Trans-led organizations working to improve the safety, health and wellness of the Transgender community. As with our COMPASS work, Gilead first convened an advisory board to outline specific opportunities and priorities for engagement and improved health outcomes within the Transgender community.

Based on what we learned from our advisory group, TRANScend was launched to support strategic program development, capacity building and direct service initiatives bolstered by strong community engagement efforts to build and sustain progress in reducing the impact of HIV within Transgender communities.



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Access, Pricing and Affordability: Domestic and Global

A crucial step in treating, preventing or curing disease is getting medicines into the hands of the patients who need them. Through our Access to Medicines programs, Gilead is expanding access to treatment by helping patients everywhere overcome both logistical and social barriers. Gilead collaborates with governments, nongovernmental organizations, healthcare providers, payers and other partners around the world to increase access to treatment.

Access to Our Medicines in the United States

The U.S. healthcare landscape is complex and can be difficult to navigate. Gilead's patient assistance programs help provide patients and their caregivers with access to medicines, copay assistance and counseling across our therapeutic areas and in accordance with all applicable laws.



Gilead Patient Support Programs

- **Patient Counseling:** Our case managers help patients navigate insurance coverage and access to treatment. Assistance includes finding alternative coverage and copay support when appropriate.
- **Patient Assistance Programs:** Individuals without insurance may be able to qualify to receive their Gilead medications free, directly from Gilead. Gilead offers a variety of programs targeted to specific medicines and diseases.
- **Medication Access Programs:** These programs help provide access to medications for eligible individuals in the United States without insurance. Gilead also offers a copay assistance program to help eligible people without insurance offset any out-of-pocket costs.

Expanded Access Program

Gilead's expanded access program offers access to our investigational medicines that may be an appropriate option when approved therapies or clinical trials are not available for some people with serious or life-threatening conditions. The program, sometimes known as compassionate use, varies regionally in compliance with the unique regulatory mechanisms specific to each country. Since investigational medicines have not yet received regulatory approval, their potential risks and benefits are not yet established. Patients and their physicians must carefully consider all possible benefits and risks before seeking access.

Rapid Access to Our Medications Program

Extreme weather events such as hurricanes and floods can threaten health systems and interrupt access to care. Gilead has implemented emergency disaster procedures to help prevent interruptions to patients' treatment with Gilead medicines in the continental United States and territories.

Gilead works with healthcare providers and pharmacies to help provide Gilead medications to patients in need. Some individuals may be eligible to obtain a 30-day replacement supply of their Gilead medications at no cost.



HIV Prevention Medicine Donation Program

As part of our broader efforts to ensure that everyone who can benefit from PrEP medications are able to access them, we announced in 2019 that we are donating up to 2.4 million bottles of Truvada for PrEP or Descovy for PrEP to the CDC per year through 2030. The donation is designed to reach uninsured people at risk of HIV infection.

Less than 20% of the estimated 1.1 million Americans at risk of contracting HIV are currently taking PrEP medications. Broader usage among at-risk populations is hampered by significant social and structural barriers, such as HIV stigma, homophobia, limited awareness of PrEP among providers and patients, and overall lack of access to healthcare. Beyond the CDC medication donation, Gilead will also continue to support programs to help address the root causes of the epidemic, such as racism, violence against women, stigma, homophobia and transphobia, particularly in parts of the country with the highest burden of disease.

Asegua: Partnerships in Bridging Gaps in Treatment

Asegua Therapeutics is a Gilead subsidiary that produces authorized generics of Eplclusa and Harvoni for treatment of chronic HCV. Through Asegua, Gilead offers flexible pricing and payment options that help break down barriers to access caused by insurance policy limitations, budget challenges for public health organizations and other causes.

In June 2019, Gilead announced a five-year partnership with the Louisiana Department of Health to implement an innovative payment model designed to help the state eliminate HCV in its Medicaid patients and its prison population. The agreement allows Louisiana to purchase an unlimited amount of Asegua's authorized generic of Eplclusa while capping the state's medication costs. The subscription model supports the state's goal of treating at least 31,000 people by the end of 2024 — more than 75% of Medicaid beneficiaries and prison inmates estimated to be infected with HCV.





The partnership demonstrates the flexible options Asegua offers for health authorities and nonprofits to improve treatment options for their communities. Asegua offers innovative support options for patients throughout the U.S., including copay and financial assistance, help determining insurance coverage and requirements, prior authorization information, and a nurse hotline to answer treatment-related questions.

Access to Our Medicines Around the World

Gilead works with public health officials, community advocates, researchers, doctors and patients to carry out a variety of programs that provide access to our medicines in low- and middle-income countries.

Because there is no single solution to the worldwide challenge of access, Gilead has carried out pioneering programs and partnerships that focus on communities impacted by HIV, viral hepatitis and visceral leishmaniasis. We apply a variety of approaches to increase disease awareness, engage partners strategically and deliver medicines efficiently. These include:



Tiered pricing, with discounts on medicines based on disease burden and national per-capita income



Responsible generic licensing of our products to enable high-quality, low-cost versions of our HIV and viral hepatitis medicines in low- and middle-income countries



Advocacy for public health initiatives and policies that maximize patient reach and prevent new infections



Strengthening health systems to bolster diagnostic, treatment and surveillance capacity



Collaborative research that targets innovative therapies, informs drug delivery and helps countries map disease burdens

For more information about these and other initiatives to improve global access to lifesaving medicines and public health education, refer to the Our Purpose section of our website.



We're Ready for a Sustainable Future





6

At a Glance

7

The world's natural systems are delicately balanced.

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Many human activities affect this balance, and their impact on the health of the planet and society are becoming increasingly understood. At Gilead, we work

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to grow responsibly, reduce our consumption of natural resources and factor the resilience of our business into everything we do. From reducing our greenhouse gas (GHG) emissions to conserving energy and donating lab supplies, we are committed to ensuring our growth doesn't come at the expense of people, communities and the environment.



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Delivering Our Responsible Growth Strategy

Through our responsible growth strategy, we are investing in operating our business more efficiently and sustainably while fulfilling our mission to discover, develop and commercialize innovative therapeutics for some of the world's most serious illnesses.

We believe environmental issues should be viewed not only as sustainability challenges but also as human health challenges. Global temperature and precipitation changes can shift populations of disease-bearing insects, leading to a rise in vector-borne diseases. Crowded roadways mean more air pollution, which can lead to asthma and other respiratory ailments. And improper disposal of pharmaceuticals can contaminate drinking water supplies. While the potential impacts of our society's activities may be far-reaching, they are not necessarily borne equally by each of its members: As a biopharmaceutical company, we recognize that the burden is disproportionately borne by the same underserved, at-risk populations that we look to reach with our treatments.



Improving lives is our purpose, and that's why we're ready for a sustainable future. At the center of our environmental strategy is a goal to reduce our GHG emissions across Scope 1 (direct emissions) and Scope 2 (emissions from generation of the energy we purchase and consume) by 25% by 2025, compared with a 2016 baseline.

Our corporate social responsibility (CSR) efforts are driven by the CSR Committee, which is responsible for embedding and integrating climate change, energy and other material CSR issues into our overall business strategy and operations. The committee reports to our board of directors at least annually on our management of these issues.

Green Buildings

Around the world, construction, building operations and transportation account for over 50% of energy-related CO2 emissions. As a company that operates 175 sites in 36 countries and employs ~12,000 people worldwide, we are able to make a significant difference with respect to reducing our GHG footprint.

As we open new labs for our scientists and new offices for the people who connect our products to the world, we're partnering with architects, engineers and contractors who share our commitment to sustainability. We're adopting green building and renovation strategies — sourcing materials responsibly, promoting efficiency in energy and water use, and improving indoor air quality to promote the health, well-being and productivity of our people.

As part of our strategy, we are aligning all building projects to green construction standards such as LEED and BREEAM, and we are looking into opportunities to



retrofit existing buildings to these standards. When leasing space, we prioritize buildings that have been recognized for their sustainability performance or are able to be brought up to standard.

Gilead currently manages 7.3 million square feet of facilities worldwide. In 2019, we added six new LEED buildings and one new BREEAM site, growing our portfolio to a total of 43 facilities that are either currently certified or pursuing green building recognition. Three additional sites are currently under construction.

As we continue to grow and expand our business, we expect that our aggregate energy use may increase. For example, in 2018 our total energy consumption increased by 2% compared with consumption in 2017. However, we focus on generating and procuring cleaner sources of energy as we grow our business to reduce our total GHG emissions. Due to increased renewable energy generation and procurement, we reduced our overall Scope 1 and Scope 2 GHG emissions by nearly 2,700 metric tons of CO₂e in 2018 compared with 2017.

Our new LEED lab in Foster City: Our new central lab facility and research headquarters in Foster City, California, came online in 2019. At 357,000 square feet, it was designed to conform with the LEED Gold standard (certification pending).



A More Sustainable Footprint

With facilities occupying more than 7.3 million square feet of space, we understand the impact our operations have on people and the environment. As we advance therapies for life-threatening diseases worldwide, we are on the path to a low-carbon future to help mitigate the effects of climate change.

Inside Laboratory 324

Since July 2018, 100% of the electricity supplied to our worldwide headquarters in Foster City, California, has been sourced from renewable energy. But achieving that goal was just the beginning. In 2019, we opened our new laboratory, Foster City Building 324, a state-of-the-art, sustainably designed research space where Gilead scientists can pursue groundbreaking science in responsible, earth-friendly ways.



Foster City Laboratory 324 was designed to:



Flow more sunlight into workspaces



Save 737,875 kWh/year of energy via solar panels on the parking garage



Use 307,000+ fewer gallons of water indoors each year with features such as low-flow bathroom plumbing (toilets, showers and metered faucets) and other efficiency strategies



Save 54.9% on total energy costs via central heating hot water plant and high-efficiency boilers



Reduce annual outdoor potable water use by 111,000+ gallons through low-flow irrigation technologies

Employees Take the Lead

Moving to Lab 324 was about more than just opening the doors to a new building — it was about embracing sustainability in everything we do, including in managing the disposal of leftover supplies from our former labs. Instead of simply discarding these supplies, Gilead employees united to create a plan centered on principles of reuse and recycling. Employees collected and donated the supplies to Bio-Link Depot, a Bay Area nonprofit that equips teachers with science supplies from regional biotech companies. In addition to inspiring more efficient supply ordering practices to help reduce waste at Gilead, and establishing a newly designated drop spot for employees to collect and donate unneeded lab materials, the combined effort resulted in:

6.7

tons of lab materials collected, decontaminated, sorted and donated

1,670+

pounds of plastic recycled and diverted from landfills

\$13,000+

saved in disposal costs



Alternative Transportation

As we grow, we aim to do so in a way that doesn't add to regional transportation challenges, such as reduced local air quality, or increased congestion and greenhouse gas emissions. We actively promote more efficient and cleaner transportation options for our employees by offering our own commuter bus service in Foster City and Santa Monica and encouraging the use of electric and hybrid vehicles by providing on-campus charging stations.



Ridership in Gilead's **Foster City Commuter Bus Program** to and from our campus now serves 30% of the campus's employees, with nearly 500 commuters riding at least one way daily.



At our facilities around the world, we're installing **EV charging stations** to meet demand and encourage greater uptake. We have more than 150 stations worldwide.



Kite earned a **platinum achievement award** from the City of Santa Monica's GoSaMo Transportation Management Organization for its outstanding sustainable commuting program, in which a third of all Kite employees participate.



Europe operations launched a campaign to encourage employee **adoption of hybrid and low-emissions vehicles** for corporate fleet cars.



Around the world, **proximity to public transportation** is a priority when selecting new Gilead facilities locations.





GHG Reduction Goals and Progress

At the center of our environmental strategy is the goal to reduce our greenhouse gas emissions across Scope 1 (direct emissions) and Scope 2 (emissions from generation of the energy we purchase and consume) by 25% by 2025, compared with a 2016 baseline, which aligns with the 2015 Paris Agreement.

To meet our GHG emissions goal, we have developed a multiyear plan that includes procuring renewable energy for high-impact locations combined with efficiency technologies and practices to improve the performance of our facilities.

Progress Toward Our 2025 Goal

In 2018, Gilead reduced absolute Scope 1 and Scope 2 GHG emissions by nearly 2,700 metric tons of CO₂e from the previous year. From 2016 to 2018, we achieved a 12% reduction in GHG emissions — halfway to our 2025 goal of a 25% reduction relative to a 2016 baseline.

Gilead's GHG reporting boundary includes all facilities over which Gilead maintained operational control between January 1, 2018, and December 31, 2018. As in previous years, our 2018 GHG emissions inventory has been verified by a third party, and the third-party's assurance statement is available upon request. The verification was performed to a limited level of assurance using the International Organization for Standardization (ISO) 14064-3 verification standard for GHG assertions.



GHG EMISSIONS REDUCTION GOAL PROGRESS

From 2016 to 2018, we achieved a 12% reduction in GHG emissions.*

2025 Goal:
Reduce total GHG emissions by 25%*



Progress:
48%
of goal

(reduction of ~9,952 MT CO₂e)
Scope 1 and 2 (market-based)
emissions

*Compared to our 2016 baseline

We are currently developing our GHG emissions inventory for calendar year 2019. Following third-party verification in 2020, the inventory will be made public [on our website](#).

**SCOPE 1, 2 AND 3 GHG EMISSIONS FROM GILEAD WORLDWIDE OPERATIONS**

Reporting Units: MT CO ₂ e	2016	2017	2018
Scope 1	44,531	46,330	46,446
Scope 2 (Market-based)	38,719	29,389	26,577
Scope 2 (Location-based)	48,296	46,217	45,938
Scope 3 (Business air travel)	32,003	33,056	38,186

GHG EMISSIONS INTENSITY

Reporting Units: kg CO ₂ e per square foot	2016	2017	2018
Scope 1	9.01	7.08	7.53
Scope 2 (Market-based)	7.83	4.49	4.31
Scope 2 (Location-based)	9.77	7.06	7.45

Gilead's GHG reporting boundary includes all facilities over which Gilead maintained operational control between January 1, 2018, and December 31, 2018. As in previous years, our 2018 GHG emissions inventory has been verified by a third party. The verification was performed to a limited level of assurance using the International Organization for Standardization (ISO) 14064-3 verification standard for GHG assertions.

We are currently developing our GHG emissions inventory for calendar year 2019. Following third-party verification in 2020, the inventory will be made public on our website.



R-210

DANGER
CONFINE



6

Reducing

7

Environmental Impact

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Like all businesses, ours is a system of inputs and outputs: taking raw materials, transforming them into lifesaving treatments and distributing them to patients around the world.

Part of our challenge is understanding the environmental impact of each step of our business lifecycle — from the manufacturing of our treatments to the disposal of our drug packaging — and determining how to introduce increasingly sustainable methods into our practices.

To drive this effort, we have established a Global Sustainability Committee composed of representatives from each of our sites across both Gilead and Kite. Members of the committee regularly share best practices with one another to promote consistent sustainability approaches across our operating regions, and the committee reports its findings to the Nominating and Corporate Governance Committee.

Our facilities personnel continuously monitor building energy use to identify opportunities to implement efficiency solutions, benefitting both our sustainability goals and our operating costs.

Our manufacturing sites continue to make great strides adopting cleaner, safer and more efficient green chemistry alternatives. We also take measures to ensure zero active pharmaceutical compounds are released into the environment via discharge, waste and post-consumer disposal.



As we expand our manufacturing and supply chains globally, we are committed to doing so in a socially and environmentally responsible manner. Across all our operations, we're moving away from a "take, make, waste" model and promoting an ethos of resource conservation, efficiency and waste reduction.

Green Chemistry

The principles of green chemistry are incorporated into our drug development process from the outset, which allows us to cut our carbon footprint while delivering our medications with greater efficiency and lower cost.

Led by a team of some two dozen process chemistry professionals at our Foster City and Edmonton facilities, green chemistry is a day-to-day discipline spanning early drug development to manufacturing. Leveraging their own research and expertise and learnings from Gilead's membership in the American Chemical Society's Green Chemistry Institute Roundtable, team members are tasked with identifying substances and processes that are cleaner, more resource-efficient and better for Gilead's bottom line. We evaluate and compare new ideas against our current methodologies, and present alternative processes for our scientists to adopt across areas such as chemical and bio catalysis and the use of greener solvents. Because our employees think about sustainability in their day-to-day research and decision-making, we are able to deepen the pool of resources available to us on our sustainability journey.



Making a Positive and Sustainable Impact

We are focused on improving the way we work to be more efficient and to lower our environmental impact. Through efforts like green chemistry, our scientists are using fewer natural resources to deliver more to our patients around the world.

Meet our team at [Gilead.com/YIR2019](https://www.gilead.com/YIR2019).





Pharmaceuticals in the Environment (PiE)

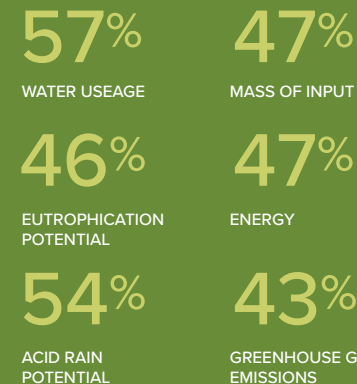
We are working hard to prevent active pharmaceutical compounds from contaminating the environment. Gilead upholds strict operational standards in all our R&D and manufacturing facilities and manages wastewater discharge and solid waste disposal to ensure that no active pharmaceutical ingredients are released into the environment.

In 2019, Gilead contributed nearly \$17,000 to support consumer-focused drug take-back and stewardship initiatives by Pharmaceutical Product Stewardship Work Group MED-Project, which performs medication education and disposal work across the country. As of December 2019, MED-Project serviced approximately 836 active kiosks that collected more than 229 metric tons of unwanted medications and sharps.

Green Chemistry Transforms APIs

Green chemistry, and more specifically our commercial Active Pharmaceutical Ingredient (API) process optimization group, helps to optimize the manufacturing process by improving on efficiencies while ensuring high product quality. Such approaches have enabled Gilead to synthesize a main ingredient in our HIV treatment Biktarvy while using only 47% of the energy and 57% of the water required under its original synthesis method.

Biktarvy Starting Material Efficiency Improvements: New Route as a % of Original Route





Worldwide Energy Consumption

As we expand our ability to treat more people, our energy use will naturally increase. Our challenge is to reduce our carbon footprint while meeting this increased demand.

By tracking our total corporate energy use from nonrenewable and renewable sources and our energy use intensity at individual sites, we are able to generate a comprehensive view of Gilead's energy consumption. This informs our global energy management strategy and allows us to evaluate efficiency site-by-site as our facilities portfolio grows.

For 2018, our total energy consumption rose by 2% compared with the previous year. Renewable sources accounted for 10% of that total, with total renewable energy consumption nearly quadrupling since 2017.



Renewable energy generation:

New on-site solar panels at our Cambridge facility generated an estimated 51,256 kilowatt hours in 2019, while design and construction of on-site solar projects in Foster City, La Verne and Oceanside commenced.



Renewable energy procurement:

Our Cambridge, Stockley Park, Kite - Santa Monica and Oceanside sites procured 100% of their energy from renewable sources for the first time in 2019. Throughout 2019, 100% of the electricity supplied to our Foster City campus and our Cork facility continued to come from renewable sources.



WORLDWIDE FACILITIES AND ENERGY CONSUMPTION

	Units	2016	2017	2018
Total area of facilities worldwide under operational control	Million sq. ft.	4.94	6.54	6.17

Energy Source	Energy Consumption (MWh)			Energy Use Intensity (kWh/sq. ft.)		
	2016	2017	2018	2016	2017	2018
Total energy consumption from renewable sources*	0	9,199	36,105	0	1.4	5.9
Total energy consumption from nonrenewable sources	355,380	353,604	332,722	71.9	54	53.9
Total combined energy consumption	355,380	362,803	368,827	71.9	55.4	59.8

* This figure includes renewable energy purchased through the grid and renewable energy procured from other sources.



Energy Efficiency

In 2019, we implemented a new Plant Information system at our Foster City headquarters to monitor and track facility data, proactively manage operational performance, and quickly identify operational abnormalities. Leveraging this data, our Corporate Engineering and Facilities teams have implemented more than 40 new measures to improve operational efficiency and save energy. In 2019, Gilead implemented over 50 energy conservation efforts, which we estimate will deliver annual savings of 1.91 MWh and 140,000 therms.

We also continued our program of retro-commissioning older Gilead buildings to higher environmental standards, investing in efficiency benefits that will cascade across the coming years.

Water Management

With our home state of California and many other operating regions facing long-term water shortages and other symptoms of prolonged water stress, we have increased our focus on water conservation. Our Foster City headquarters, for example, added evapotranspiration controllers to its irrigation system in late 2018, resulting in irrigation water consumption falling by over 15 megaliters in 2019 — the equivalent of six Olympic-size swimming pools.

WORLDWIDE WATER USAGE		
	2017	2018
Water Source	Megaliters	Megaliters
Indoor use	366	377
Irrigation	78	80
Fire/life safety	NA	0
Total water usage	444	457





Waste Reduction and Recycling

In 2018, Gilead diverted over half its waste from landfill, recording a 58% diversion rate against 2017's 47% rate.

Conservation is both a core part of our corporate sustainability plan and the result of individual initiative among our people, and in 2019, both business-led initiatives and personal adjustments produced positive impacts.

For example, large-scale employee events in Foster City featured initiatives to reduce waste-to-landfill and plastic consumption — including a zero-waste-to-landfill employee picnic. In addition, our Foster City headquarters partnered with on-site coffee vendor Penelope's to incentivize use of reusable mugs, saving over 2,000 disposable cups in the first three months of the launch.


WORLDWIDE WASTE DISPOSAL

	2017	2018
Nonhazardous Waste Disposal	Metric Tons	
Landfill	3,699	5,052
Composting	926	2,139
Recyclables	2,299	4,850
Incineration	27	25
Other	58	NA
Total	7,009	12,066

	2017	2018
Nonhazardous Waste Disposal	Metric Tons	
Incineration	1,154	1,342
E-waste recovery	19	NA
On-site storage	4	NA
Neutralization	2	1
Solvent recovery	4	8
Metal recovery	1	0
Recovery for reuse	0	NA
Deep-well injection	2,328	1,568
Landfill	0	NA
Incineration with Energy Recovery	9	129
Recycling	1	5
Other	NA	5
Total	3,522	3,058



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Increasing Business Resiliency

Building a resilient business is vital to Gilead's continued impact on global health. That's why we strive to anticipate and mitigate the range of environmental, supply-chain and ethical risks that could affect the longevity of our operations.

Gilead's worldwide headquarters are in California, where we experience the effects of climate change in more frequent and severe wildfires, droughts that threaten our water security and agriculture, and heatwaves that can affect the health and workforce productivity. Events such as these have brought into focus the importance of addressing climate issues in ensuring business continuity and resilience.

Our business depends on being able to secure the raw materials that go into our products. For this reason, we're focused on growing and diversifying our supplier base, prioritizing small and diverse suppliers as a way of leveraging different backgrounds and perspectives to spur broad-based innovation. At the same time, we're making sure our partners share our ethical and environmental commitments.

We also work to sustain the integrity of the Gilead name by upholding the highest standards of drug safety, exercising transparent labelling and marketing practices, and taking measures to eliminate the distribution of counterfeit medicines.



Working With Suppliers That Share Our Values

Gilead's supply chain extends beyond the companies with which we do business directly, encompassing those suppliers' own vendors. In 2019, we worked with over 800 direct suppliers and over 22,000 indirect suppliers across the globe. To ensure that we are consistently providing the highest quality therapies, and that our supplier ecosystem operates in accordance with our values, we enforce a rigorous vetting process to identify partners that share similar principles regarding responsible sourcing, supplier inclusion, risk management, sustainability and auditing.

As referenced in our Supplier Code of Conduct, across our supply chain, we oppose and condemn the use of child labor and forced labor; human trafficking; unfair treatment, wages, benefits and working hours; and discrimination based on race, color, gender, religion, disability, sexual orientation and gender identity/expression. We also support full compliance with all applicable legislation including the United Kingdom Modern Anti-Slavery Act.

Responsible Sourcing Program

Gilead launched a three-year Responsible Sourcing strategic plan in 2018 to ensure that as we grow, we select suppliers that share our commitments to inclusion and diversity, human and labor rights, anti-corruption, environmental performance, health and safety, and other criteria.



Supplier Inclusion

In 2016, Gilead added inclusion as one of our core values, recognizing that people from diverse backgrounds bring a broader arc of life experiences and perspectives and make us a stronger, better-informed and more innovative company. In 2018, we took this commitment further by creating inclusion targets for our supply chain, challenging ourselves to spend \$302 million with small businesses, establish supplier inclusion champions in select business functions, and more deeply integrate supplier inclusion into our procurement processes and procedures. By boosting our spend with small and diverse suppliers — including women-, minority-, veteran-, and LGBTQ+ owned businesses — we continue to realize our purpose with every transaction

THREE PILLARS OF RESPONSIBLE SOURCING

Gilead suppliers must align with our core values and meet financial and performance criteria in order to be qualified to do business with Gilead.



Supplier Inclusion
Inclusion of small and/or diverse suppliers



Risk Mitigation & Performance
ISO risk, financial risk, geographic risk, supplier code



Expand & Audit
OMO omission, environmental impact, green procurement



we make. And by prioritizing spend with small suppliers, we benefit from their greater agility and quicker response times.

In 2019, Gilead and Kite were able to collectively devote \$369 million of spend to small and small diverse businesses. We also improved our supplier vetting process to increase spend with existing diverse suppliers, reduce onboarding of unnecessary new suppliers and help stabilize our supply base. To ensure sustained focus on supplier diversity, we created and implemented a Supplier Inclusion Champions program successfully across several departments.

In addition to our own supplier inclusion programs, we're also advocating for it throughout the healthcare and general procurement spaces by aligning with industry councils and authoring thought-leadership articles for industry-focused publications.

In 2019, we continued our partnership with the Supplier Diversity Pharmaceutical Forum to build further capacity and grow relationships with new inclusive suppliers. Gilead also joined the Western Regional Minority Supplier Development Council, and in 2019 had a member of our Procurement leadership team serve on its Steering Committee.

Moving Beyond Spend to Measure Impact

Supplier diversity can have positive impacts on businesses and communities, but many companies struggle to design and implement a successful program. We believe Gilead's path toward greater supplier diversity can be a model for other companies and industries, and in 2019 we worked with CVM Solutions to publish a white paper, "[2018 State of Supplier Diversity Report](#)", along with a supporting article, "[Supplier Inclusion: Moving Beyond Spend to Measure Impact](#)," detailing our belief that a broader lens is needed to capture the full impact of supplier diversity.



Risk Management and Performance

Gilead is continuously improving and evolving, and it is crucial that our expectations for suppliers follow suit. Our Supplier Code of Conduct conveys those expectations to all vendors with whom we do business, as well as their subcontractors. The code's provisions cover ethical practices (including diversity and inclusion, business integrity, and animal welfare), labor and human rights, health and safety, environmental practices, and the management systems used to facilitate continual improvement and compliance with the code. In 2019, we updated our Supplier Code of Conduct to capture additional components that reflect evolving stakeholder expectations. These updates were created collaboratively between Gilead and Kite, and for the first time cover all suppliers to both business units.

We are actively working toward our goal to have 90% of our suppliers (by annual spend) agree to our Supplier Code of Conduct, and have made a further commitment to require 100% of new indirect suppliers to agree to our Supplier Code of Conduct in 2020.

Supplier Sustainability

Opportunities to engage with suppliers and cultivate better sustainability practices are



Initial Assessment

Initial Assessment of suppliers through supplier code and PSCI



Supplier Reporting

Implement self-assessment tool and send to top 80% + "secondary critical" suppliers



Expand & Audit

Expand self-assessment and audit critical suppliers



System Integration

Responsible sourcing fully integrated, including buy-desk/supplier onboarding and SRM



available across our value chain. We're working initially with select suppliers to establish GHG reduction plans, and by the end of 2019 had received or requested GHG reduction plans from 122 indirect suppliers representing \$1.7 billion in spend. This effort will help us begin measuring and managing Scope 3 GHG emissions resulting from our suppliers' activities, contributing significantly to Gilead's long-term carbon-reduction goals.

Auditing Procedures

Our Environmental, Health and Safety (EH&S) audit program for drug substances was established in 2015, and has allowed Gilead to significantly increase supplier visibility and accountability. In 2019, Gilead's EH&S auditors conducted audit compliance assessments for more than 120 suppliers representing 80% of our global spend, including manufacturers of chemical raw materials and suppliers of finished active pharmaceutical ingredients (APIs). Audits determine the extent to which these companies align with our EH&S standards for practices such as capture of volatile organic compounds, disposal of chemical solid waste, solvent recycling, and compliance with local and international standards.

Our assessment, risk mitigation and auditing procedures evolve continuously to ensure that our products are produced to our required level of consistency. In line with the requirements of Good Manufacturing Practice (GMP) regulations overseen by the U.S. Food and Drug Administration (FDA) and other global regulatory agencies, Gilead's suppliers for APIs and drug products are held to strict standards governing all aspects of production, including manufacturing procedures, testing methods, maintenance of premises and equipment, training, personal hygiene of staff, and appropriate documentation. We work closely with our suppliers to identify practical improvement areas and share best practices for reducing or eliminating risks.



We monitor our supply chain continuously for adequate capacity, diversification, potential risks, and adherence both to Gilead policies and to governing regulations such as the Foreign Corrupt Practices Act (FCPA), the U.S. Trafficking Victims Protection Act and other applicable labor and environmental regulations.

If we encounter actual or potential violations of our company policies or governing regulations, we recommend corrective action and flag the supplier for follow-up evaluations. Certain violations — such as environmental negligence, human trafficking or the use of forced labor — would prompt Gilead to terminate our agreement with the supplying organization and remove it from our supply chain.

Safety, Ethics and Transparency

Gilead adheres to strict product safety, labeling, marketing, data security and anticounterfeiting guidelines. All our products undergo rigorous development, testing and clinical trials, and we use labeling and marketing practices pursuant to governing policies and regulations. Gilead did not receive any official warnings, fines or penalties in 2019 related to our marketing or labeling practices.



To protect personal data, we use a combination of in-house technology and third-party security services and systems to comply with data protection regulations such as the European Union General Data Protection Directive. There were no substantiated complaints concerning breaches of customer privacy or losses of customer data in 2019.

Our anti-counterfeiting team consists of brand protection, legal, security, supply-chain, quality and packaging professionals who protect patient safety by using measures to help detect, stop, deter and report illicit sales of counterfeit or diverted medicines.

Environmental Data Content, Period and Boundaries

The environmental data and charts included in this section cover the calendar year January 1, 2018, to December 31, 2018. We are currently working to validate and verify environmental data from calendar year 2019; however, these figures will not be finalized at the time this report is published. Gilead will publish 2019 environmental data [on our website](#) when it is available. The environmental activities and initiatives described in this report section occurred in calendar year 2019.



Appendix



About Gilead

Gilead Sciences, Inc. is a research-based biopharmaceutical company that discovers, develops and commercializes innovative medicines in areas of unmet medical need. We strive to transform the promise of science and technology into therapies that have the power to cure diseases or revolutionize the standard of care. Gilead's primary areas of focus include viral diseases, inflammatory diseases and oncology.

Headquartered in Foster City, California, Gilead employed ~12,000 full-time employees and engaged 1,157 temporary/agency* workers in more than 35 countries on six continents in 2019.

**Individuals employed or engaged as an agency worker by a third-party temporary agency, and compensated by the same, to perform work for Gilead for a predefined timeframe.*



Our Governing Principles

As a company driven by science and dedicated to improving patient care and quality of life, Gilead adheres to the highest legal and ethical standards of business conduct to protect patient safety, the company and its employees.

Gilead's board of directors serves stockholders by overseeing the management of our business. The board, our leadership team and all employees at Gilead are responsible for upholding the corporate values of integrity, inclusion, teamwork, excellence and accountability, and for compliance with our various business conduct and corporate policies.

Our board has four committees: (1) Audit Committee, (2) Compensation Committee, (3) Nominating and Corporate Governance Committee, and (4) Scientific Committee. Our Board Guidelines and Committee Charters can be found on the Investors page of our website. Listing rules require that a majority of the members of a public company's board of directors qualify as "independent." All our committees are composed of independent members. As of December 31, 2019, 8 out of our 9 members were independent.



The Code We Stand By

All of Gilead's governance bodies and employees must comply with our Code of Ethics and Anti-Bribery and Anti-Corruption (ABAC) Policy. ABAC training is part of all Gilead new-hire trainings, and in 2019 we rolled out a revised global ABAC policy along with an assigned training module for all employees. These and other corporate policies are available on GNet, our company intranet, which is accessible to 100% of managers and employees. In 2019, additional ABAC trainings were provided to our Audit Committee, which is a subset of our board of directors, and regional business partners and distributors located in Europe, Asia, Africa, North America and South America.

The success of Gilead's Code of Ethics depends upon employee compliance with relevant laws, rules and regulations associated with their employment, including laws prohibiting insider trading. We have formal mechanisms in place to address employee concerns around potential violations of Gilead's Code of Ethics. (See section 9 of [our Code of Ethics](#)).

We assess the adequacy of our key corporate policies annually to help ensure they are consistent with current regulations and good governance practices.

With products distributed throughout the world, Gilead, our affiliates and entities acting on our behalf are required to comply with the United States Foreign Corrupt Practices Act (FCPA), the UK Bribery Act and all other applicable anti-corruption laws. Gilead offers training materials to employees and other relevant individuals and organizations to communicate Gilead's prohibition against corrupt or unethical activity.

Gilead performs internal and external audits to monitor for compliance with regulatory and company policies. In 2019, 21 audits were performed in roughly 16 countries for financial or FCPA compliance.



In 2019, there were no findings of corruption, anti-competitive behavior, violations of anti-trust and monopoly legislation, or other healthcare compliance violations from any government body.

Our Approach to CSR

For more than 30 years, Gilead has discovered, developed and expanded access to best-in-class therapeutics that treat life-threatening illnesses. To ensure we can continue to execute this mission in the future while reducing the social and environmental impacts resulting from our business activities, we have built a CSR program that focuses on patients, society, the planet and our business.

We take a precautionary approach to managing social and environmental activities to minimize any potential harm or threat. Our objective is to reduce our climate change impacts, foster better communities, attract and retain top-tier employees, mitigate supply-chain risks, and prepare for future regulatory changes.

Our CSR committee shepherds our vision and builds accountability for driving positive social and environmental change across our company and supply chain. Composed of leaders from Human Resources, Legal, Operations and Public Affairs, the committee is responsible for reviewing and making decisions on CSR-related strategies, stakeholder engagement, reporting, risk mitigation and other relevant activities of Gilead and our subsidiaries. At least annually, the CSR committee provides a report to the Nominating and Corporate Governance Committee of Gilead's board of directors.



CSR Management, Stakeholder Engagement and Materiality

Gilead uses a companywide management approach that continuously monitors our operations to reduce potential or actual negative material impacts, both internal and external. Business leaders with direct oversight over each topic area are responsible for managing these impacts, and internal and external stakeholders (see below) conduct annual evaluations of our management approach each year to identify strengths and areas for improvement.

Internal Stakeholders

To review sustainability-related topics, we assembled a team of internal stakeholders from across Gilead, representing Corporate Communications, Corporate Contributions, Access Operations and Emerging Markets, Pharmaceutical Development and Manufacturing, Global Commercial, Commercial Process Optimization, Environmental Health and Safety, Facilities, Human Resources, Legal, Tax, Investor Relations, and Regulatory Affairs.



External Stakeholders

Gilead’s external stakeholders include 17 stakeholder groups across the following four categories.





Materiality

Through our Sustainability Materiality Assessment, business leaders from across the company selected the following material topics for our CSR Program based on the level of Gilead's internal or external influence, our relative impact, peer evaluations, and due diligence.

We are currently assessing relevant and meaningful disclosures to measure progress on these topics and plan to enhance our coverage of these topics, including the management approach for each, in future reporting.



Material Topics

MATERIAL TOPIC	TOPIC DESCRIPTION	TOPIC BOUNDARY	
		Impacts Occur Inside Gilead	Impacts Occur Outside Gilead
Corruption and bribery	Compliance with state, federal and international laws pertaining to healthcare fraud and abuse.	X	X
Drug safety and anti-counterfeiting	Recalls and adverse events; providing relevant information; efforts against counterfeiting.	X	X
Access and pricing	Providing access to products around the world, including efforts to ensure fair pricing.	X	X
Giving	Charitable efforts aimed at reducing disparities, providing access, advancing medical education and supporting local communities.	X	X
Employee health and safety	Efforts to eliminate all serious accidents and manage occupational health and safety risks to ensure employees do not come to any harm while at work.	X	
Employee wellness, development and engagement	Efforts to promote employee wellness, development and engagement; employee benefits and well-being; recruiting and retention.	X	
Inclusion and diversity	Efforts to promote inclusion and diversity.	X	X
Climate change and energy	Reducing greenhouse gas emissions associated with company operations and products by using energy efficiently.	X	X
Ethical supply chain	Ethical sourcing, ensuring suppliers uphold appropriate standards on corporate responsibility issues.	X	X
Manufacturing and supply-chain management	Managing quality, production capacity and inventory in manufacturing and supply chain.	X	X
Green chemistry	Design of chemical products and processes that reduce or eliminate the generation of hazardous substances.	X	X
Responsible marketing	Efforts to ensure that marketing is conducted ethically and complies with local laws and regulations.	X	X
Waste	Hazardous and nonhazardous waste recycling.	X	X
Water	Efforts to manage or reduce water use from our operations.	X	X



GRI Content Index

GENERAL DISCLOSURES

Disclosure Number	Disclosure Title	2019 Response	UN SDG	UNGC
ORGANIZATIONAL PROFILE				
102-1	Name of the organization	Gilead Sciences		
102-2	Activities, brands, products and services	Pipeline and Portfolio A complete list of our medicines can be found on our website		
102-3	Location of headquarters	Foster City, CA		
102-4	Location of operations	About Gilead		
102-5	Ownership and legal form	Gilead Sciences, Inc. is a publicly traded Delaware corporation.		
102-6	Markets served	Our prescription products are publicly available to customers in Africa, Asia, Australia, Europe, Middle East, North America and South America.		
102-7	Scale of the organization	The "Why" Behind Our Work A Look at 2019 About Gilead		
102-8	Information on employees and other workers	About Gilead Workforce Demographics While we track employees by contract type, we do not have this breakdown available by gender and region (information is not available).		6



GENERAL DISCLOSURES

Disclosure Number	Disclosure Title	2019 Response	UN SDG	UNGC
ORGANIZATIONAL PROFILE				
102-9	Supply chain	Working With Suppliers That Share Our Values		2, 4, 5, 6 8, 9, 10
102-10	Significant changes to the organization and its supply chain	Green Buildings Worldwide Energy Consumption		
102-11	Precautionary principle or approach	Our Approach to CSR		7
102-12	External initiatives	A full list of external frameworks Gilead has aligned with is available on our website		
102-13	Membership of associations	Partnerships and Collaborations: Setting the Stage for Transformative Treatments. Gilead is a member of many industry associations, including the following: American Chemical Society's Green Chemistry Institute Roundtable, Pharmaceutical Product Stewardship Work Group, Supplier Diversity Pharmaceutical Forum, and Western Regional Minority Supplier Development Council.		



GENERAL DISCLOSURES

Disclosure Number	Disclosure Title	2019 Response	UN SDG	UNGC
STRATEGY				
102-14	Statement from senior decision-maker	A Letter From Our Chairman and CEO		
ETHICS & INTEGRITY				
102-16	Values, principles, standards and norms of behavior	The Code We Stand By		1, 2, 3, 4 5, 6, 7, 8 9, 10
102-17	Mechanisms for advice and concerns about ethics	The Code We Stand By		1, 2, 7, 10
GOVERNANCE				
102-18	Governance structure	Our Governing Principles Our Approach to CSR		10
102-19	Delegating authority	Our Approach to CSR		
102-20	Executive-level responsibility for economic, environmental and social topics	Our Approach to CSR		
102-22	Composition of the highest governance body and its committees	Our Governing Principles We report on select information about our board of directors on our website . Of our 12 board members, 4 identify as female.	5	6
102-24	Nominating and selecting the highest governance body	Nominating and Corporate Governance Committee Charter		6, 10
STAKEHOLDER ENGAGEMENT				
102-40	List of stakeholder groups	Internal Stakeholders External Stakeholders		
102-41	Collective bargaining agreements	All Gilead employees in Austria, Belgium, Brazil and Spain (3% of worldwide workforce) were subject to collective bargaining agreements in 2019.		3



GENERAL DISCLOSURES

Disclosure Number	Disclosure Title	2019 Response	UN SDG	UNGC
STAKEHOLDER ENGAGEMENT				
102-42	Identifying and selecting stakeholders	CSR Management, Stakeholder Engagement and Materiality		
102-43	Approach to stakeholder engagement	CSR Management, Stakeholder Engagement and Materiality		
102-44	Key topics and concerns raised	CSR Management, Stakeholder Engagement and Materiality Material Topics		
REPORTING PRACTICE				
102-45	Entities included in the consolidated financial statements	About This Report		
102-46	Defining report content and topic Boundaries	Report Content, Period and Boundary		
102-47	List of material topics	Materiality		
102-48	Restatements of information	Minor adjustments have been made to all environmental data previously reported in Gilead's 2018 Year in Review. This has impacted our reported progress toward our GHG reduction goal. These adjustments are due to improved alignment of data estimation methodologies across 2016, 2017 and 2018 reporting periods and the reverification of GHG inventories for these years; the retroactive integration of environmental data from business entities acquired by Gilead during those periods; and corrections to any discrepancies that were identified after the publication of the 2018 Year in Review. The data contained in this report has been collected using the most robust systems and tools available for this reporting period.		
102-49	Changes in reporting	About This Report		
102-50	Reporting period	Report Content, Period and Boundary		
102-51	Date of most recent report	Gilead's 2018 Year in Review was published in May 2019.		
102-52	Reporting cycle	Annual		
102-53	Contact point for questions regarding the report	Korab Zuka, Vice President, Public Affairs csr@gilead.com		
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.		
102-55	GRI content index	GRI Content Index		
102-56	External assurance	GHG Reduction Goals and Progress A copy of our third-party assurance statement can be obtained by emailing sustainability@gilead.com.		



ECONOMIC DISCLOSURES

Disclosure Number	Disclosure Title	2019 Response	UN SDG	UNGC
MANAGEMENT APPROACH				
103-1	Explanation of the material topic and its boundary	A Look at 2019 Our Governing Principles		10
103-2	The management approach and its components	A Look at 2019 Our Governing Principles		10
103-3	Evaluation of the management approach	A Look at 2019 Our Governing Principles		10
ECONOMIC PERFORMANCE				
201-1	Direct economic value generated and distributed	A Look at 2019 Annual Report on Form 10-K, pg. 46	9	
201-3	Defined benefit plan obligations and other retirement plans	Compensation and Financial Benefits Annual Report on Form 10-K, pg. 83		
PROCUREMENT PRACTICES				
204-1	Proportion of spending on local suppliers	Gilead spent 14% of its annual procurement spend in California on local suppliers. Gilead's most significant location of operation is its headquarters in Foster City, CA, and we have a large presence in California. In this instance, we define "local" as any supplier that has identified its company headquarters as located in the state of California.		
ANTI-CORRUPTION				
205-1	Operations assessed for risks related to corruption	Gilead performs internal and external audits to monitor for compliance with regulatory and company policies. In 2019, Gilead performed 21 audits in roughly 16 countries for financial or Foreign Corrupt Practices Act (FCPA) compliance. Gilead does not disclose significant risks related to corruption identified through FCPA compliance audits (specific legal prohibitions).		10
205-2	Communication and training about anti-corruption policies and procedures	The Code We Stand By		10
205-3	Confirmed incidents of corruption and actions taken	The Code We Stand By In 2019 there were no findings of corruption, anti-competitive behavior, violations of anti-trust and monopoly legislation, or other healthcare compliance violations from any government body.		10



ECONOMIC DISCLOSURES

Disclosure Number	Disclosure Title	2019 Response	UN SDG	UNGC
ANTI-COMPETITIVE BEHAVIOR				
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	The Code We Stand By In 2019 there were no findings of corruption, anti-competitive behavior, violations of anti-trust and monopoly legislation, or other healthcare compliance violations from any government body.		10

ENVIRONMENTAL DISCLOSURES

MANAGEMENT APPROACH				
103-1	Explanation of the material topic and its boundary	We're Ready for a Sustainable Future - At a Glance Delivering our Responsible Growth Strategy Reducing Environmental Impact		7, 8, 9
103-2	The management approach and its components	We're Ready for a Sustainable Future - At a Glance Delivering our Responsible Growth Strategy Reducing Environmental Impact		7, 8, 9
103-3	Evaluation of the management approach	We're Ready for a Sustainable Future - At a Glance Delivering our Responsible Growth Strategy Reducing Environmental Impact		7, 8, 9
ENERGY				
302-1	Energy consumption within the organization	Worldwide Energy Consumption	7 12 13	8, 9
302-2	Energy consumption outside of the organization	Gilead does not currently track energy consumption outside the organization, but may do so in the future.		
302-3	Energy intensity	Worldwide Energy Consumption	7 12 13	8
302-4	Reduction of energy consumption	Gilead does not currently track the reductions in energy consumption directly related to efficiency initiatives, but may do so in the future.	7 12 13	8, 9
WATER AND EFFLUENTS				
303-3	Water withdrawal	Worldwide Water Usage Gilead does not track water by withdrawal source, but primarily uses municipal sources of water. We have not yet conducted a water stress evaluation for all our operations.	6	8, 9



ENVIRONMENTAL DISCLOSURES

Disclosure Number	Disclosure Title	2019 Response	UN SDG	UNGC
EMISSIONS				
305-1	Direct (Scope 1) GHG emissions	Progress Toward Our 2025 Goal	3 12 13	8
305-2	Energy indirect (Scope 2) GHG emissions	Progress Toward Our 2025 Goal	3 12 13	8
305-3	Other indirect (Scope 3) GHG emissions	Progress Toward Our 2025 Goal	3 12 13	8
305-4	GHG emissions intensity	Progress Toward Our 2025 Goal	3 12 13	8
305-5	Reduction of GHG emissions	Progress Toward Our 2025 Goal	3 12 13	7, 8, 9
305-6	Emissions of ozone-depleting substances (ODS)	Gilead does not currently track ozone-depleting substances, but may do so in the future.		
EFFLUENTS AND WASTE				
306-2	Waste by type and disposal method	Waste Reduction and Recycling	12	7, 8
SUPPLIER ENVIRONMENTAL ASSESSMENT				
308-1	New suppliers that were screened using environmental criteria	Risk Management and Performance		7, 8



SOCIAL DISCLOSURES

Disclosure Number	Disclosure Title	2019 Response	UN SDG	UNGC
MANAGEMENT APPROACH				
103-1	Explanation of the material topic and its boundary	We're Ready to Elevate Our People - At a Glance Global Workforce		1, 2, 3, 4, 5, 6
103-2	The management approach and its components	We're Ready to Elevate Our People - At a Glance		1, 2, 3, 4, 5, 6
103-3	Evaluation of the management approach	We're Ready to Elevate Our People - At a Glance		1, 2, 3, 4, 5, 6
EMPLOYMENT				
401-1	New employee hires and employee turnover	Workforce Demographics Gilead does not currently track or report on new hires and turnover by age, gender or region (information is not available).	5	3, 6
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	How We Reward, Recognize and Retain Employees Gilead provides a comprehensive company-paid benefits package including health, dental, vision, life insurance, and long-term disability insurance plans, along with the option to participate in our Employee Stock Purchase Plan and 401(k) plan. Full-time employees working 30 hours or more (unless otherwise specified) are eligible for these benefits.	3	6
401-3	Parental leave	Parental Leave Data	3 5	6
OCCUPATIONAL HEALTH AND SAFETY				
403-1	Occupational health and safety management system	Workforce Safety	3	
403-3	Occupational health services	Gilead employees have access to licensed occupational health services (OHS) during working hours, and we are able to arrange transportation to OHS locations. OHS providers converse in the official country language. OHS and Gilead comply with privacy laws and local requirements for protecting personal health information.	3	
403-5	Worker training on occupational health and safety	Workforce Safety Gilead uses hazards exposure assessments to identify general and specific OHS trainings. We ensure that training content aligns with regulatory standards and that trainers meet local competency requirements. Trainings are provided free of charge and during paid working hours.	3	
403-9	Work-related injuries	Workforce Safety Workforce Data	3	



SOCIAL DISCLOSURES

Disclosure Number	Disclosure Title	2019 Response	UN SDG	UNGC
TRAINING AND EDUCATION				
404-1	Average hours of training per year, per employee	Professional and Personal Development Gilead's employees participate in an average of 4.2 hours of professional training per year. We do not currently track our investments in training specifically by gender or employee category (information is not available).	4 5	6
404-3	Percentage of employees receiving regular performance and career development reviews	100% of Gilead employees receive annual performance and career development reviews.	4 5	
DIVERSITY AND EQUAL OPPORTUNITY				
405-1	Diversity of governance bodies and employees	Workforce Demographics We have provided ethnicity data for Gilead Sciences in the U.S. Privacy regulations restrict collection of this information in many countries. We also do not track or manage diversity by age group, or manage diversity beyond gender (information is not available).	5 10	6
405-2	Ratio of basic salary and remuneration of women to men	Compensation and Financial Benefits Gilead's salary ratio for women to men in the United States is 99.931:100. At this time we are not in a position to report on pay parity for each employee category by significant locations of operations.	5 10	6
NONDISCRIMINATION				
406-1	Incidents of discrimination and corrective actions taken	Gilead tracks all incidents of discrimination and corrective actions taken; however we do not publicly report on this due to employee privacy concerns and any pending legal or regulatory actions (information is subject to specific confidentiality constraints).	5 10	6
CHILD LABOR				
408-1	Operations and suppliers at significant risk for incidents of child labor	Risk Management and Performance		1, 2, 5
FORCED OR COMPULSORY LABOR				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Risk Management and Performance		1, 2, 4



SOCIAL DISCLOSURES

Disclosure Number	Disclosure Title	2019 Response	UN SDG	UNGC
LOCAL COMMUNITIES				
413-1	Operations with local community engagement, impact assessments and development programs	Gilead Employees Give Back 100% of our global employees are offered one paid day off to volunteer with an organization of their choice. Gilead offices worldwide hold events for our annual Week of Service.		
SUPPLIER SOCIAL ASSESSMENT				
414-1	New suppliers that were screened using social criteria	Risk Management and Performance		1, 2, 4
CUSTOMER HEALTH AND SAFETY				
416-1	Assessment of the health and safety impacts of product and service categories	Safety, Ethics and Transparency		
MARKETING AND LABELING				
417-2	Incidents of noncompliance concerning product and service information and labeling	Gilead did not receive any official warnings, fines or penalties in 2019 related to our service information and labeling practices.		
417-3	Incidents of noncompliance concerning marketing communications	Gilead did not receive any official warnings, fines or penalties in 2019 related to our marketing communications.		
CUSTOMER PRIVACY				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Gilead did not have any substantiated complaints in 2019 concerning breaches of customer privacy or losses of customer data.		



SASB Index

The mission of the Sustainability Accounting Standards Board (SASB) is to help businesses around the world identify, manage and report on the sustainability topics that matter most to their investors. SASB standards differ by industry, enabling investors and companies to compare performance from company to company within an industry. Currently, we do not track all metrics included in the Biotechnology & Pharmaceuticals Standards, but we will continue to evaluate them in the future.

SASB DISCLOSURES

Code	Description	Disclosure Location
ACCESS TO MEDICINE		
HC-BP-240a.1	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	Access to Our Medicines Around the World Medication Access - Global Access
AFFORDABILITY & PRICING		
HC-BP-240b.1	Number of settlements of Abbreviated New Drug Application (ANDA) litigation that involved payments and/or provisions to delay bringing an authorized generic product to market for a defined time period	Annual Report on Form 10-K, pg. 83
ACTIVITY METRICS		
HC-BP-000.B	Number of drugs (1) in portfolio and (2) in research and development (Phases 1-3)	Portfolio Pipeline

