

A photograph of a female scientist, Julie Farand, in a laboratory setting. She is wearing a white lab coat with a name tag that says "Julie", blue safety goggles, and purple nitrile gloves. She is holding a small glass vial in her gloved hands. The background shows laboratory equipment, including a fume hood and various glassware.

# 2017 YEAR IN REVIEW

GILEAD SCIENCES

*Julie Farand, Medicinal Chemistry*

## A MESSAGE FROM OUR CEO

Gilead marked its 30th anniversary in 2017. As I reflect on the company's history, it's clear we've had an incredible journey from the very beginning, and in 2017, we saw remarkable achievements in our mission of providing treatments and cures for people living with some of the world's most serious diseases.



*John F. Milligan, Ph.D.*  
*President and Chief  
Executive Officer*

We've grown from a small Northern California company to an organization with a portfolio of more than 25 products and having a worldwide presence with offices in more than 35 countries. Even though we've grown significantly, we are united by our values, and by the pursuit of innovation for one purpose: to help people with life-threatening illnesses around the world.

Delivering innovative medicines is possible because of the hard work of our highly dedicated employees, who are not afraid to tackle difficult scientific problems or to challenge assumptions to combat the complexities of diseases like HIV and chronic hepatitis C virus (HCV). We started working on HIV treatments in the late 1980s, when HIV/AIDS was seen as a death sentence that disproportionately impacted marginalized communities. Today, our medicines are helping people diagnosed with HIV enjoy healthier lives — and a significant percentage of those individuals are over 50, a statistic that seemed impossible 30 years ago. In addition to working relentlessly to develop numerous therapies that improve the lives of people with HIV, we've worked to raise awareness of how HIV intersects with social determinants of health, and understand that to have an impact on the epidemic, we need to address more than just the disease.

In 2017, we've remained committed to our belief that even the most difficult and complex illnesses can be treated, or even cured. With that strong commitment, we will continue to use our expertise to advance scientific innovation and position our business to deliver strong results.

### Scientific Innovation and Transformative Therapies

This year we expanded our work in oncology with the acquisition of Kite Pharma, Inc., moving us into a leadership position in the exciting field of cell therapy, an approach to fighting cancer that involves reprogramming a patient's own immune cells to fight the disease.

Just two weeks after the Kite acquisition closed, the FDA approved Yescarta®, the first chimeric antigen receptor T (CAR T) cell therapy for treatment of adult patients with relapsed or refractory large B-cell lymphoma after two or more lines of therapy. CAR T cell therapy is a revolutionary approach to cancer treatment that involves harvesting a patient's T cells and genetically modifying them with special receptors that identify and destroy cancer cells when reintroduced into the patient's body. Yescarta is the first in what we hope to be a long line of groundbreaking cellular therapies for Gilead and Kite.

We further invested in cell therapy by acquiring Cell Design Labs, Inc. in December, gaining new technology that allows for the more precise programming of cells to attack

tumors. We believe the addition of this technology and the expertise of the team at Cell Design Labs will help researchers at Kite and Gilead more rapidly bring forward cellular therapies that are potentially both safer and more effective.

We have continued to lead and innovate in HIV. We have multiple medicines available to address the needs of individuals living with HIV, and are continuing to investigate new ways to manage the disease, such as long-acting treatments and new single tablet regimens for patients whose virus is resistant to most drugs. We also remain focused on prevention. As of the end of 2017, Truvada for pre-exposure prophylaxis (PrEP) is now reaching more than 153,000 people in the United States who are at-risk of sexually acquiring HIV, for use in combination with safer sex practices, and we are working to increase appropriate use of Truvada for its prevention indication in other parts of the world. We also continue to pursue internal discovery research that may lead to a cure.

In the area of liver disease, we made considerable progress with our products for the treatment of HCV and chronic hepatitis B virus (HBV), and advanced trials with investigational medicines for nonalcoholic steatohepatitis (NASH), a form of liver fibrosis that poses an increasing threat to public health as a rising cause of liver transplantation. In addition, we have clinical trials underway for products targeted at inflammatory diseases, including rheumatoid arthritis, ulcerative colitis and Crohn's disease.

## Supporting Our Communities

During the past year, we've continued our efforts to improve public health worldwide — including at home in the United States. In 2017, we launched the Gilead COMPASS (COMmitment to Partnership in Addressing HIV/AIDS in Southern States) Initiative™, which pledged a landmark \$100 million over 10 years to help address HIV/AIDS in the Southern United States. Through the Gilead COMPASS Initiative, we're focusing on making a meaningful difference by supporting capacity-building and shared knowledge, working to advance well-being, mental health and trauma-informed care, and increasing awareness and education to decrease stigma. We elected to focus on the Southern United States because of the severity of the epidemic in this region. Although the South accounts for just one-third of the U.S. population, it is home to approximately 44 percent of all people living with HIV in the United States. In addition to this specific initiative, we're also

focused on providing support to more than 2,000 organizations globally to support their critical missions in serving impacted communities.

In the same way we are driven to innovate and improve care, we have a very clear mission to minimize our environmental footprints across our worldwide business operations and supply chain. We recognize that improving global health requires caring for the health of the environment, and our actions can positively influence environmental and social ecosystems worldwide. We've made significant progress reducing our impact. For example, at our headquarters in Foster City, California, we began purchasing renewable energy to help meet 50 percent of our annual electricity demand. We launched a worldwide facilities master planning effort to support green building and responsible growth practices, and establish a pathway for reducing energy, water, waste and greenhouse gas emissions. We also implemented a Supplier Code of Conduct that holds the companies we work with to high social, economic and environmental standards. Our medium- to long-term sustainability strategies include installing on-site renewable energy systems at key corporate facilities, achieving "zero waste" at some of our manufacturing sites as we have in Cork, Ireland, for the fifth consecutive year, and continuing to implement green and sustainable chemistry practices to reduce the amount of raw materials and water necessary to manufacture our products. In the long term, we expect to take even more definitive steps toward minimizing our social and environmental footprints, while fostering sustainable business growth.

## Gilead's Future

In 2018, we will continue to reach more people with serious illnesses around the world. We will build new partnerships and collaborations to advance scientific innovation and support people in managing their health, even in the face of tremendous obstacles. In everything we do, we are determined to step up to the most daunting challenges with creative, sustainable solutions that make life better for people around the world. On behalf of our employees, our leadership team and our Board of Directors, I'm proud of what we accomplished in 2017 and look forward to our continued success in the coming years.

Sincerely,

**John F. Milligan, Ph.D.**

President and Chief Executive Officer



*Francisca Ekukole, Gilead, Oceanside, CA*

*Find out more at: [www.gilead.com/yir2017](http://www.gilead.com/yir2017)*

# ABOUT GILEAD SCIENCES



Marit Sternberg,  
Gilead, Munich, Germany

## COMPANY OVERVIEW

Gilead Sciences, Inc. is a leading 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 portfolio of products and pipeline of investigational drugs include treatments for HIV, liver diseases, cancer, and inflammatory and respiratory diseases.

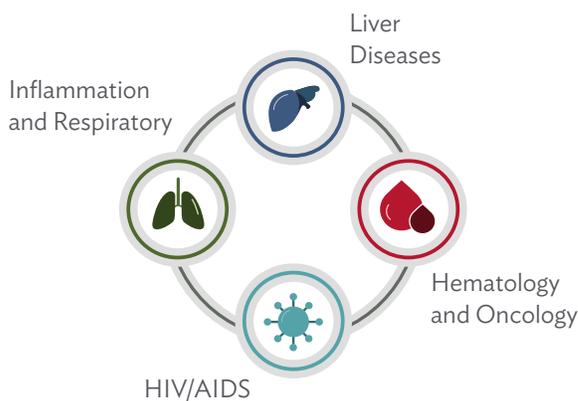
### A Leadership Role in Oncology

To advance and accelerate research and development efforts in cancer immunotherapy and other cell-based therapies, in 2017, Gilead announced acquisitions of Kite Pharma, Inc. and Cell Design Labs, Inc.

Kite is a biopharmaceutical company dedicated to achieving one of the most ambitious goals of 21st century medicine: curing cancer. One of the most exciting current advances in cancer research is an innovative approach that involves removing a patient’s immune cells, modifying those cells to identify specific antigens, then infusing those cells in the patient to fight cancer. We have long believed in the promise of modifying T cells to treat certain blood cancers, and we have focused on adding cell therapy to our existing portfolio. Through Kite, we are developing engineered cell therapies that express either a chimeric antigen receptor or a T cell receptor, depending on the type of cancer. Our dual platform has the potential to help change the paradigm of cancer therapy and address both hematological and solid tumor cancers.

Cell Design Labs is a company developing innovative technologies designed to bring greater precision and control to cancer treatment through custom cell engineering. Cell Design Labs’ ON-OFF switches and synthetic Notch receptors have the potential to enable T cells to more accurately recognize and target cancer and other disease tissues. The addition of Cell Design Labs’ technologies to existing Kite research and development programs could lead to the treatment of a broader range of hematological malignancies and solid tumors and enable development of treatments that are potentially safer and more effective.

### Primary Areas of Focus



## Existing Product Portfolio

Gilead works to solve some of the world’s biggest health challenges by developing innovative medicines for individuals living with life-threatening diseases.

Our portfolio of more than 25 products contains a number of category firsts, including complete treatment regimens for HIV and chronic hepatitis C virus (HCV) infection available in once-daily single pills.

Today, our research and development effort includes hundreds of ongoing and planned clinical studies evaluating compounds with the potential to become medicines that set a new standard for health care.

### HIV/AIDS

 Genvoya®  
elvitegravir / cobicistat / emtricitabine /  
tenofovir alafenamide

 Odefsey®  
emtricitabine / rilpivirine / tenofovir  
alafenamide

 Stribild®  
elvitegravir / cobicistat / emtricitabine /  
tenofovir disoproxil fumarate

 Complera®  
emtricitabine / rilpivirine / tenofovir  
disoproxil fumarate

 Atripla®  
efavirenz / emtricitabine / tenofovir  
disoproxil fumarate

 Descovy®  
emtricitabine / tenofovir alafenamide

 Truvada®  
emtricitabine / tenofovir  
disoproxil fumarate

 Emtriva®  
emtricitabine

 Viread®  
tenofovir disoproxil fumarate

 Tybost®  
cobicistat

 Biktarvy®  
bicitegravir / emtricitabine /  
tenofovir alafenamide

### Cardiovascular

 Letairis®  
ambrisentan

 Ranexa®  
ranolazine

 Lexiscan®  
regadenoson

### Liver Diseases

 Vosevi®  
sofosbuvir / velpatasvir / voxilaprevir

 Epclusa®  
sofosbuvir / velpatasvir

 Harvoni®  
ledipasvir / sofosbuvir

 Sovaldi®  
sofosbuvir

 Vemlidy®  
tenofovir alafenamide

 Viread®  
tenofovir disoproxil fumarate

 Hepsera®  
adefovir dipivoxil

### Hematology/Oncology

 Yescarta®  
axicabtagene ciloleucel

 Zydelig®  
idelalisib

### Inflammation/Respiratory

 Cayston®  
aztreonam

 Tamiflu®  
oseltamivir phosphate

### Other

 AmBisome®  
amphotericin B liposome

 Macugen®  
pegaptanib sodium

Refer to the [Medicines](#) section of our website for more information on our products.

## FINANCIAL HIGHLIGHTS

2017 was a transformational year for Gilead, marked by operational excellence and innovation across all aspects of our business.

Strong growth in our HIV business was driven by widespread physician acceptance and uptake of our tenofovir alafenamide (TAF)-based regimens. We continued to maximize the opportunity in HCV in a changing competitive landscape. We also made two strategic acquisitions, Kite and Cell Design Labs, positioning Gilead as an industry leader in cell therapy.

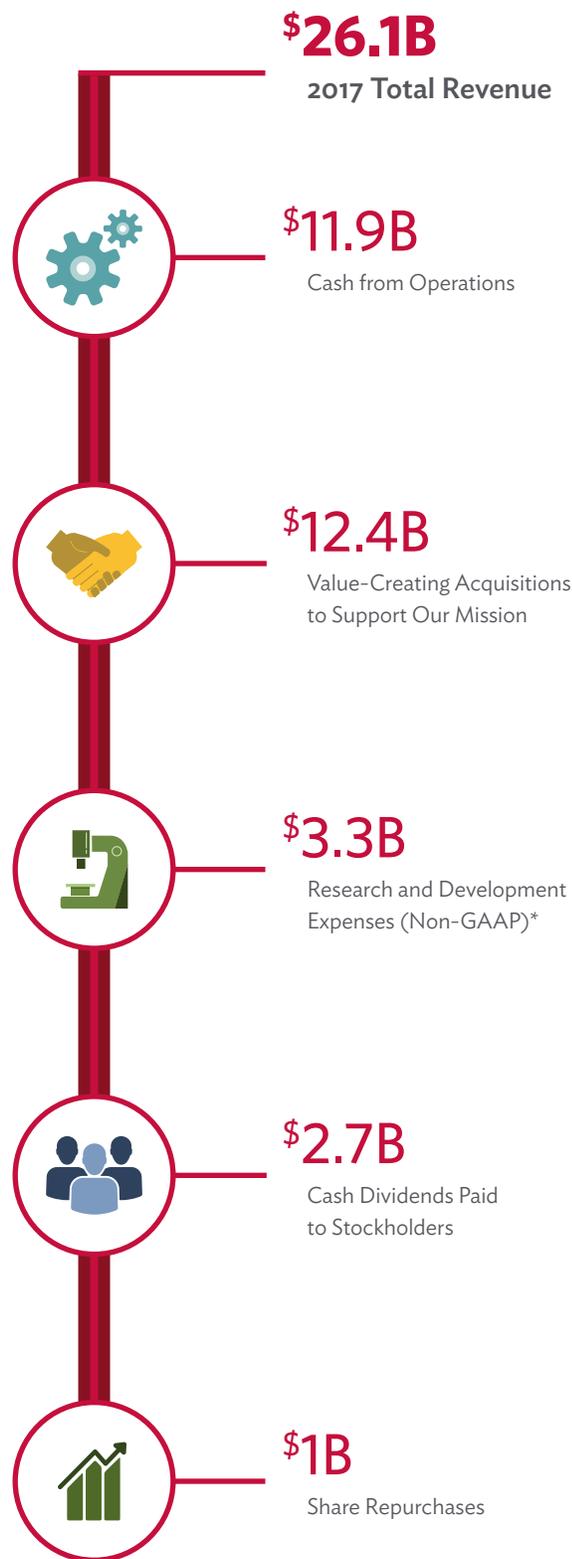
We were operationally and financially efficient with high operating margins, and we continued to deliver strong operating cash flows, ending 2017 with \$36.7 billion in cash and investments. We returned approximately 33 percent of free cash flow to stockholders through dividends and share repurchases.

With the recent enactment of the Tax Cuts and Jobs Act (Tax Reform), we recorded an estimated net charge of \$5.5 billion in 2017. Tax Reform will have a positive impact on Gilead's earnings, lower our global effective tax rate and increase our financial flexibility.

Looking ahead, our strong balance sheet will enable us to expand our pipeline through mergers and acquisitions and partnerships, de-lever our capital structure, support our dividend and make share repurchases.

For more information about Gilead's 2017 financial performance, refer to the company's 2017 Annual Report on Form 10-K on the [Shareholder Center](#) section of our website.

\*Non-GAAP research and development expenses exclude acquisition-related, up-front collaboration, stock-based compensation and other expenses.



## 2017 CORPORATE SOCIAL RESPONSIBILITY HIGHLIGHTS

### OUR MISSION

Gilead recognizes that treating and curing life-threatening diseases requires more than just medicines. The company provides strategic philanthropic support to organizations that help improve the lives of people and their communities through educational outreach, social services and advocacy. We also strive to be a leader in supporting workplace diversity and inclusion, and improving our environmental stewardship in business operations and supplier relationships.

### COMMUNITY IMPACT

In 2017, Gilead pledged a landmark \$100 million commitment over 10 years to help support organizations working to end HIV/AIDS in the Southern United States. The Gilead COMPASS (COMmitment to Partnership in Addressing HIV/AIDS in Southern States) Initiative™ aims to increase the reach of groups working to address the HIV/AIDS epidemic and improve the lives of those affected by the disease in the region. The collaborative program enables Gilead to support and learn from partner organizations that understand the unique needs of their communities. Gilead supports partner organizations addressing important issues such as trauma and mental health, stigma, discrimination and inequities in care.

### WORKPLACE

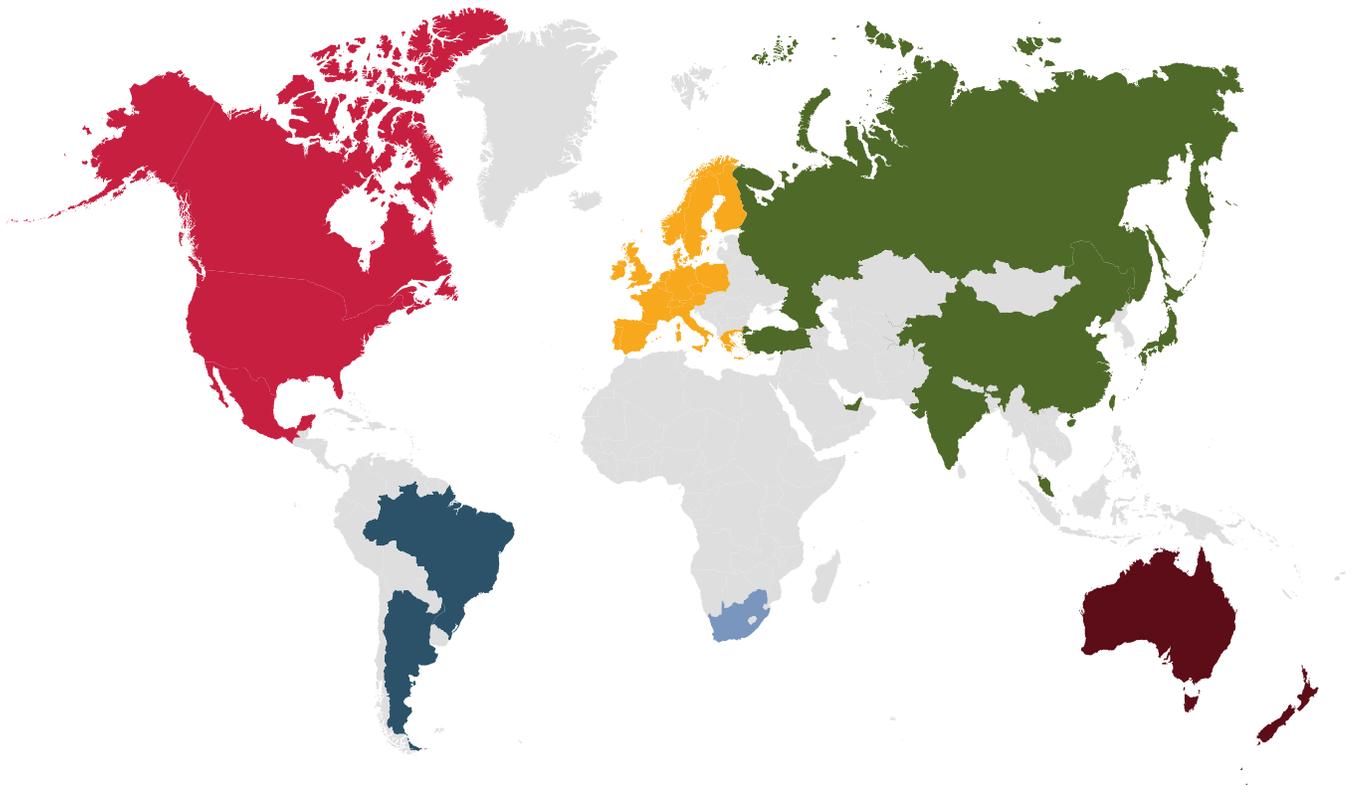
In 2017, Gilead demonstrated its commitment to workforce diversity and inclusion by launching two new Employee Resource Groups (ERGs). The first group, Gileados, aims to embrace, foster and share diverse Latino culture among Gilead employees. The second, GVET, aims to increase the recruitment and retention of veterans at Gilead while supporting outside organizations that serve veterans. Gilead's ERGs give employees a voice and a platform to enrich our culture and values.

### PRACTICES AND ENVIRONMENT

A crucial part of Gilead's mission is to minimize the environmental footprint across its physical facilities, business operations, supply chain and products. In 2017, Gilead implemented green and sustainable chemistry techniques in its clinical development projects to reduce waste per kilogram of drug substance by up to 84 percent, organic solvent consumption by as much as 88 percent and water use by more than 30 percent. In addition, Gilead implemented four commercial active pharmaceutical ingredient projects reducing process mass intensities by up to 20 percent through improvements in overall yield, reducing usage of organic solvents and water, and developing more efficient manufacturing processes for starting materials.



*Employees in Foster City mark  
Gilead's 30th anniversary on  
June 22, 2017.*



## GILEAD WORLDWIDE OPERATIONS

Headquartered in Foster City, California, Gilead employed 9,085 full-time employees and engaged 1,108 temporary/agency\* workers in more than 35 countries on six continents in 2017. In the same year, Gilead opened new facilities in the United States, China, Brazil and the United Kingdom. Construction began in 2017 on additional sites that will open in 2018 and 2019.

### Governance

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

Gilead's board of directors serves stockholders by overseeing the management of our business. 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](#) section of our website.

\*Individuals who are 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 pre-defined timeframe.

*In 2017, our Nominating and Corporate Governance Committee amended its charter to formalize the board’s commitment to diversity, including race, gender, culture, thought and geography.*



35

Gilead has employees in more than 35 countries



6

Continents with Gilead employees



4

New Gilead facilities: the United States, China, Brazil and the United Kingdom

Gilead’s Nominating and Corporate Governance Committee has oversight responsibility for risks related to environmental and social governance matters. In 2017, our Nominating and Corporate Governance Committee approved an amendment to its charter to formalize the board’s commitment to diversity, including race, gender, culture, thought and geography.

Listing rules require that a majority of the members of a public company’s Board of Directors qualify as “independent.” Our Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committees are composed of independent board members. At the end of 2017, seven out of nine members of our board of directors were independent directors.

The board of directors, senior leadership and all employees at Gilead are responsible for upholding the corporate values of integrity, inclusion, teamwork, excellence and accountability. In addition, every employee at Gilead is expected to comply with our [Code of Ethics](#) and [Anti-Bribery and Anti-Corruption Policy](#), which was updated in 2017, as well as other business conduct and corporate policies.

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, its affiliates and others acting on Gilead’s behalf are required to comply with all applicable anti-corruption laws. These laws include the United States Foreign Corrupt Practices Act (FCPA), the U.K. Bribery Act and other applicable 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. For example, in 2017, audits for financial and/or FCPA compliance were performed in approximately 22 countries. In 2017, there were no instances of corruption or material violations of our Code of Ethics.

**Collaborations**

Gilead seeks strategic partnerships with other companies, universities and medical research institutions whose strengths complement and augment our own. Over the past two decades, we have forged multiple long-term collaborations with leading academic institutions and biopharma companies to develop innovative new therapies and advance the care of people living with life-threatening diseases.

For more information regarding these relationships, including their ongoing financial and accounting impact on our business, refer to the company’s 2017 Form 10-K on the [Shareholder Center](#) section of our website.

## Memberships and Affiliations

Knowledge sharing is a critical part of Gilead's leadership in disease research and access to medicines, and of keeping the company up to date on public policy and industry trends. Through memberships and affiliations with industry organizations, trade associations and other groups, Gilead shares and receives knowledge with peers across our industry.

## Political Contributions

Gilead participates in the political process by contributing to state and local candidates and political organizations when such contributions are permitted by state and local law. In the interest of transparency for our stockholders and other stakeholders, a full list of political contributions can be found on the [Political Contributions](#) section of our website.

In addition, Gilead sponsors the Gilead Sciences Inc. Healthcare Policy Political Action Committee (PAC), a federally registered political committee that accepts contributions from Gilead employees on a voluntary basis and makes contributions to federal candidates and committees. Contributions from Gilead's federal PAC are reported to the Federal Election Commission and are publicly available on the Commission's website at [www.fec.gov](http://www.fec.gov).

## Noteworthy company memberships or affiliations in 2017 included:

- American Chambers of Commerce in the European Union
- Biotechnology Innovation Organization
- Bipartisan Policy Center
- California Life Sciences Association
- Harvard Healthcare Policy Leadership Council
- University of Southern California Schaeffer Center
- World Economic Forum

## ABOUT THIS REPORT

Gilead's 2017 Year in Review is organized in accordance with the "core" reporting framework defined by the latest Global Reporting Initiative (GRI) Standards. This report covers all topics listed in the [GRI Content Index](#) for all entities listed in the company's 2017 [Form 10-K](#).

Due to the timing of Gilead's acquisitions of Kite Pharma, Inc. and Cell Design Labs, Inc. in 2017, the 2017 Year in Review is based on data pertaining to Gilead Sciences only, unless otherwise noted. We intend to provide integrated data for Gilead, Kite and Cell Design Labs in Gilead's 2018 Year in Review.

For more information about the process used to align with GRI Standards, see the GRI Framework section on page 59.



Find out more at: [www.gilead.com/yir2017](http://www.gilead.com/yir2017)

# OUR MISSION



Gilead Lab

## SCIENTIFIC INNOVATION & ADDRESSING UNMET NEEDS

Gilead uses its scientific expertise to help transform and simplify care for people with life-threatening illnesses around the world. With a portfolio of more than 25 products and hundreds of ongoing and planned clinical studies, we are focused on solving some of the biggest health challenges today. For more than 30 years, Gilead's products have targeted therapeutic areas of unmet medical need, which today include HIV/AIDS, liver diseases, hematology and oncology, inflammatory diseases and respiratory diseases.

### HIV

Gilead has been a leading innovator in the field of HIV for nearly 30 years, driving advances in treatment, prevention and cure research. In 2017, we saw growing uptake of our tenofovir alafenamide (TAF)-containing medicines. Our first TAF-containing products for HIV — Genvoya<sup>®</sup>, Odefsey<sup>®</sup> and Descovy<sup>®</sup> — came out in 2015 and 2016, and in the past year, we've seen them achieve more than 50 percent of the market share of our tenofovir-containing regimens.

In 2017, we released Phase 3 study data for Biktarvy<sup>®</sup>, a daily single tablet regimen combining bicitgravir, emtricitabine and TAF, which was found to be effective and tolerable for both patients new to treatment and stably suppressed patients transitioning from other medicines. Biktarvy received FDA approval in February 2018.

In addition, we are continuing to develop new treatment options that will offer alternatives to daily regimens. Gilead is developing GS-CA1, an investigational small molecule capsid inhibitor designed to disrupt the protein shell that protects the viral genome, interfering with two stages of the virus's replication cycle. GS-CA1 is being formulated as a long-acting injectable that could be administered monthly or quarterly, providing potential treatment alternatives for patients who find it difficult to maintain a daily medication regimen.

Despite tremendous advances in treatment, HIV is still an epidemic, and it continues to have a heavy impact among the most marginalized populations. Through the advancement of pre-exposure prophylaxis (PrEP), Gilead is helping HIV-negative individuals who are at-risk reduce their chances of acquiring HIV infection through sex. In 2017, more than 153,000 people in the United States who are at-risk of



contracting HIV sexually were prescribed Truvada® to help protect themselves from HIV infection when used in combination with safer sex practices.

In the past decade, the epicenter of the HIV/AIDS epidemic in the United States has moved to the South, which now experiences the greatest burden of infection, illness and deaths of any region in the nation. In 2017, Gilead launched the Gilead COMPASS (COMmitment to Partnership in Addressing HIV/AIDS in Southern States) Initiative™ to increase the reach of groups working to address the HIV/AIDS epidemic and improve the lives of those affected by the disease in the region.

Treatment and prevention are vital, but Gilead is also actively working to

## 153,000

people in the United States prescribed Truvada for preventing HIV infection when used in combination with safer sex practices.

cure HIV. We have several medicines in development that are intended to eliminate the HIV viral reservoirs that form in a patient's body while protecting uninfected cells. Our goal is to reverse the latency that enables the virus to lurk undetected by the immune system; eliminate the infected cells through activation of a number of immune mechanisms including natural killer cells and macrophages; and engage antibodies that provide ongoing resistance to HIV exposure. The complexity of HIV infection requires a multifaceted

approach, and we are collaborating with a number of research organizations on Phase 1 studies of specific aspects of this potential cure research strategy.

We are also pursuing an HIV cure by supporting the efforts of other researchers in the field. The HIV cure grants program, initially announced in February 2016, provides funding to top academic institutions focused on HIV translational research and efficacy studies in preclinical models. The first set of HIV cure grants, totaling more than \$22 million, were awarded to 12 projects in January 2017. In October 2017, Gilead announced the second round of grants totaling \$7.5 million to support five additional HIV cure research initiatives.

## Oncology

To advance and accelerate research and development efforts in cancer immunotherapy and other cell-based therapies, Gilead completed acquisitions of Kite Pharma and Cell Design Labs in 2017. These acquisitions place Gilead at the forefront of cell therapy, among oncology's most exciting fields of research and development.

Just a few weeks after the Kite acquisition was completed in October, the FDA granted approval for Yescarta® (axicabtagene ciloleucel, or axi-cel™), the first chimeric antigen receptor T (CAR T) cell therapy for the treatment of adult patients with relapsed or refractory large B-cell lymphoma after two or more lines of systemic therapy. CAR T cell therapy re-engineers a patient's own T cells to detect and kill cancer cells. Yescarta, which is individually manufactured for each patient, has the potential to become one of the most powerful agents for certain types and lines of therapies for hematologic cancers. By the end of 2017, 16 United States treatment centers were certified to administer Yescarta and were starting to enroll patients. Certification is being rolled out gradually, as centers must be carefully trained to manage the complex administrative process and understand how to address the risk of potentially serious side effects, including cytokine response syndrome and neurotoxicity. Kite expects to have Yescarta accessible to 80 percent of eligible patients during the second half of 2018.

Kite continues to research additional uses for CAR T cell therapy, including treatments for refractory acute lymphoblastic leukemia and other blood cancers, solid tumors, and other complex diseases such as autoimmune and degenerative disorders.

In December, Gilead acquired Cell Design Labs, a company with significant expertise in custom cell engineering that is currently developing two proprietary technology platforms: synNotch™, a synthetic gene expression system that can be used to engineer customized therapeutic responses in



Kite employees in Santa Monica, CA

*Today, we are a leader in engineered T cell therapy, transforming cancer treatment with what is potentially the biggest breakthrough since the introduction of combination chemotherapy more than 60 years ago.*

CAR T cells, and Throttle™, an “on switch” that can control CAR T activity in response to small molecules. SynNotch and Throttle are designed to improve the precision and control of immunotherapy treatment, potentially improving safety and efficacy across a broad range of diseases such as prostate cancer, liver cancer and multiple myeloma.

## Liver Disease

Gilead is at the forefront of advancing care for people living with liver disease, including the approximately 400 million people living with hepatitis worldwide. We have developed breakthrough medicines for the treatment of chronic hepatitis C virus (HCV) infection and are developing innovative treatments to manage or potentially cure chronic hepatitis B virus (HBV) infection. In addition, we seek to remove barriers to testing and treatment for at-risk individuals and expand access to our therapies worldwide. We are also developing medicines for nonalcoholic steatohepatitis (NASH), a fatty liver disease that is expected to become the leading cause of liver transplantation by 2020.

### Hepatitis C Virus

Currently, no vaccine exists for HCV and, until recently, treatment could take six to 12 months, often with debilitating side effects and low cure rates. Gilead has helped transform the treatment of liver disease by providing medicine options that offer cure rates as high as 95 to 99 percent for all genotypes (1-6) of HCV infection in less time and with fewer side effects than prior interferon-containing treatment regimens.

Gilead is actively supporting worldwide efforts to eliminate HCV by 2030. With approximately 71 million people infected with HCV worldwide, Gilead’s highly effective and tolerated single tablet regimens (STRs) have helped significantly reduce the total HCV burden worldwide.

In 2017, Gilead launched Sovaldi® in China, for use with certain other medicines, bringing new treatment for certain genotypes of chronic HCV to the approximately 10 million people there infected with the virus. In addition, the FDA and European Commission granted marketing authorization for Vosevi® as a once-daily STR for the treatment of certain adults with genotype 1-6 chronic HCV infection.

## *Gilead is actively supporting worldwide efforts to eliminate HCV by 2030.*



### Single tablet regimen

Gilead’s highly effective and tolerated STRs have helped significantly reduce the total HCV burden worldwide.

### 95%-99% cure rates

Medicine options provided by Gilead offer cure rates as high as 95 to 99 percent for all genotypes (1-6) of HCV infection.

### 71 million

People infected with HCV worldwide.

### Nonalcoholic steatohepatitis

Another focus of Gilead’s efforts in liver disease is NASH, a progressive fatty liver disease associated with obesity that leads to inflammation and fibrosis (scarring), which further impair liver function. NASH patients whose fibrosis progresses to cirrhosis have a median time to death of just five years. There currently are no treatments approved for people living with NASH.

Gilead is researching three molecules targeting different biological pathways associated with NASH. This includes two ongoing Phase 3 studies of the ASK-1 inhibitor selonsertib, an investigational first-in-class molecule targeting apoptosis signal-regulating kinase 1 (ASK-1), a protein that’s activated in NASH and other metabolic disorders, helping to lead to fibrosis. Gilead is also conducting Phase 2 studies with investigational therapies targeting farnesoid X receptor and acetyl-CoA carboxylase and will begin Phase 2 combination studies this year.

### Hepatitis B Virus

For two decades, Gilead has worked to improve care for people living with chronic HBV. While a vaccine exists for HBV, developing a cure is a more complex challenge than it is for HCV. Gilead scientists believe a cure will need to combine multiple drugs that inhibit viral replication while simultaneously eliminating HBV DNA from all infected liver cells. Gilead continues to conduct research and clinical trials on novel therapies aimed at enabling the immune system to suppress HBV infection. Gilead offers medicines including Viread® and Vemlidy® that help patients treat chronic infection.

### Additional Focus Areas

Gilead is bringing scientific expertise and determination to the fight against other challenging diseases, including inflammatory diseases and emerging viruses. Clinical trials are underway for filgotinib, an investigational once-daily, highly selective Janus kinase-1 inhibitor that shows promise for inflammatory diseases such as rheumatoid arthritis (RA) and Crohn's disease. Filgotinib has shown a promising efficacy and safety profile in Phase 2 trials for RA and Crohn's disease; we are currently enrolling patients for Phase 3 trials for RA, Crohn's disease and ulcerative colitis and expect to start sharing data from these studies beginning in 2018. Gilead is partnering with a variety of organizations to conduct clinical trials of investigational agent remdesivir as a potential treatment for Ebola and other emerging viruses, including Dengue and Marburg, in the countries and regions where the viruses pose the greatest threat.

## ACCESS TO OUR MEDICINES

To be effective at treating, curing or preventing diseases, medicines must be available to the patients who need them. Through our Access to Medicines programs, Gilead is working to expand access to treatment wherever possible by helping patients overcome barriers to get the medicines they need. Gilead is expanding disease awareness, addressing stigma and supporting front-line services and care in more than 130 low- and middle-income countries.

### Access to Our Medicines in the United States

The United States healthcare landscape is complex and can be difficult for patients to navigate. To ease the burden this can place on patients and their families, Gilead's Patient Support Programs help provide patients with access to medicines, copay assistance and counseling across our therapeutic areas.



**>40,000**

Patients received treatment at no cost using Gilead's Patient Assistance Program.



**50%**

Of all individuals taking Gilead HIV medicines in the United States receive them through federal and state programs at substantially discounted prices.

### Gilead Patient Support Programs

#### Patient Counseling

We offer support in navigating access and coverage for patients who have insurance but are unsure whether their plan provides coverage or affordable copays for our medicines. Our case managers help patients understand what their insurance will cover and provide research on potential alternative coverage and copay support.

#### Patient Assistance Programs

Patients without insurance can apply to our Patient Assistance Program to receive treatment at no cost; patients who qualify can receive their Gilead products free, directly from Gilead. In 2017, more than 40,000 patients received treatment at no cost.

To see the full list of programs through which we offer Patient Support, please visit the [United States Patient Access](#) page of our website.

**Assistance for Individuals Living with HIV**

Approximately half of all individuals taking Gilead HIV medicines in the United States receive them through federal and state programs at substantially discounted prices. We have a long history of working with state AIDS Drug Assistance Programs to provide lower pricing for our HIV medicines.

Gilead’s Truvada for PrEP Medication Assistance Program helps eligible HIV-negative adults in the United States who do not have insurance to obtain access to Truvada for PrEP. Gilead also offers a copay assistance program to help eligible patients with insurance offset out-of-pocket costs. Gilead recently enhanced these programs to ensure the assistance provided for Truvada is consistent, regardless of whether an individual needs access for prevention or treatment. The number of people prescribed Truvada for PrEP has increased to more than 153,000 in the United States.

**Access to Our Medicines in Low- and Middle-Income Countries**

In 2018, Gilead will mark the 15th anniversary of pioneering programs that provide access to our medicines in low- and middle-income countries. During that time we have learned that there is no one-size-fits-all solution to treatment access challenges. That’s why we work with public health officials, community advocates, researchers, doctors and patients to understand barriers and opportunities, with a focus on communities impacted by HIV, viral hepatitis and visceral leishmaniasis.

To increase education and disease awareness, engage partners strategically and deliver medicines efficiently, we offer:

- 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 Gilead’s HIV and viral hepatitis medicines for patients in low- and middle-income countries.
- Advocacy for public health initiatives and policies that maximize patient reach and prevent new infections.



**>11 million**

In 2017, more than 11 million people benefited from Gilead medicines in low- and middle-income countries.



**130 countries**

Low- and middle-income countries supported by Gilead through our access to medicines programs.

## Strengthening Health Systems

Strengthening public health systems is at the core of our strategy to expand treatment access. All too often, inadequate infrastructure creates barriers for patients, so we work with partners worldwide to improve infrastructure from the ground up.



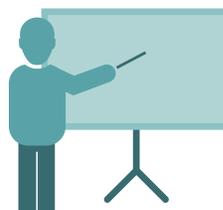
### Educating communities

We support community organizations in their efforts to develop public health education programs.



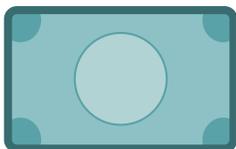
### Supporting collaborative research

We work with investigators in low- and middle-income nations to demonstrate the efficacy of our medicines, evaluate new drugs and identify optimal strategies that connect patients from screening to care. In addition, we invest in high-quality research facilities that attract and support talented young researchers from low- and middle-income countries.



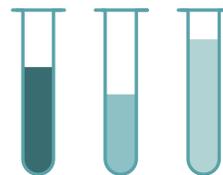
### Preparing the healthcare workforce

Many low- and middle-income countries have too few qualified front-line healthcare workers and lack access to the latest training and resources. We help provide trainings, continuing education and long-distance learning to share the latest standards of care.



### Providing technical assistance

We provide financial support and technical assistance to help low- and middle-income countries' health systems obtain urgently needed medical equipment and basic necessities.



### Securing the supply chain

We help ensure communities have uninterrupted supplies of medicines by investing in proprietary tools that our partners can use to forecast demand and prevent supply disruptions.

### Fostering Global Support Through Advocacy

We work with partners around the world to make an evidence-based case for policies that will improve access to health services in low- and middle-income countries. The prevention, screening and treatment standards established by the World Health Organization, International AIDS Society and other organizations play a critical role in driving progress against disease. To help ensure their guidelines are informed by the latest evidence, we regularly share scientific and cost-effectiveness data. We also work with national governments to develop research and organize events that demonstrate the benefits of health investment and enable policymakers from around the world to share best practices and make new commitments.

In 2017, we reaffirmed our commitment to the London Declaration, a global pledge to combat 10 key neglected tropical diseases by 2020. Cases of visceral leishmaniasis have dropped significantly in endemic regions. We also co-organized a Wilton Park symposium in Swakopmund, Namibia, which brought together government officials, scientists, patient advocates and program implementers to identify ways to strengthen the HIV prevention movement in sub-Saharan Africa.

### Compassionate Use: Expanded Access Program

Gilead's expanded access program, also known as "compassionate use," provides the opportunity for individual patients with serious or life-threatening conditions to access our investigational medicinal products.

Our Expanded Access Program varies regionally as a result of the unique regulatory mechanisms in different countries worldwide. Since investigational medicinal products have not yet received regulatory approval, their potential risks and benefits are not yet established. It is important for physicians and patients to consider all possible benefits and risks when seeking access to an investigational medicinal product.



Gilead evaluates standard criteria when considering requests from individual patients to participate in our expanded access program. These criteria include:

- A strong biological rationale or clinical data show that the potential patient benefits of the investigational medicine outweigh the potential risks.
- The patient's physician has determined that treatment with the investigational medicine is in the patient's best interests.
- The investigational medicine will be administered in accordance with applicable laws and regulatory requirements.
- The patient is not eligible or able to participate in a clinical trial or similar sponsored access program.
- No therapeutic alternative is available.

Visit Gilead's [Expanded Access](#) webpage for more information on individual access to investigational medicines intended to treat serious diseases.



*Janus Ong, M.D., M.P.H.*

*Advocacy Committee Head, 2012-2017; Hepatology Society of the Philippines*

*Find out more at: [www.gilead.com/yir2017](http://www.gilead.com/yir2017)*

# COMMUNITY IMPACT

## GILEAD MAKING A DIFFERENCE

Gilead recognizes that the development of world-class medicines for life-threatening diseases is only one aspect of improving public health. We invest significant internal resources in the management of programs that provide education, prevention, care and social and financial support for the most vulnerable communities.



*Tori Cooper, Prevention Specialist,  
Positive Impact Centers, Atlanta, Georgia*

### COMPASS – Southern HIV Initiative

According to the United States Centers for Disease Control and Prevention (CDC), eight of the 10 states with the highest rates of new HIV diagnoses are in the South. Southern states today account for an estimated 44 percent of all people living with HIV in the United States.

To help address this epidemic, the Gilead COMPASS (COMmitment to Partnership in Addressing HIV/AIDS in Southern States) Initiative™ was launched in 2017 with a groundbreaking \$100 million commitment over 10 years. Gilead partnered with three lead coordinating centers to advance specific focus areas, identified through soliciting feedback from community leaders and healthcare providers, to help address HIV-related disparities in the South.

#### Emory University Rollins School of Public Health

For more than 25 years, public health leaders have pursued their quest for social justice and the elimination of health disparities at Emory University's Rollins School of Public Health. Rollins provides direct access to hands-on research and collaboration with the world's leading public health agencies. The school's scientists and educators have played a key role in HIV/AIDS from the earliest days of the epidemic. The Emory coordinating center will build on Emory's extensive history of HIV research, training and technical assistance to support organizational capacity-building. The Emory center will use a data-driven approach to identify geographic areas where organizational capacity-building will have the greatest impact.

#### University of Houston Graduate College of Social Work

The University of Houston Graduate College of Social Work (GCSW) is a nationally recognized program that prepares diverse leaders in practice and research to address complex challenges and achieve sustainable social, racial, economic and political justice, locally and globally, through exceptional education, innovative research and meaningful community engagement. GCSW research initiatives and community partnerships have fueled successful HIV programs for nearly a decade. The GCSW coordinating center will aim to enhance engagement and retention in care by incorporating attention to the role of wellness, trauma, mental health and substance use in HIV care, and increasing capacity to conduct comprehensive assessments using evidence-based screenings and appropriate follow-up care.



### Southern AIDS Coalition

The mission of the Southern AIDS Coalition (SAC) is to end the HIV epidemic in the Southern United States. The SAC is a nonpartisan coalition of government, community and business leaders working alongside thousands of individual members to prevent new infections and build a South inclusive of people living with HIV. SAC does this through public health advocacy, capacity-building and education, research, and evaluation and strategic grant-making. The SAC coordinating center will develop and support education and advocacy efforts to address HIV-related stigma, discrimination and health inequities.

### FOCUS

In communities that are heavily impacted by HIV, HCV and HBV, screening and diagnosis are the first steps to bringing care to the patients who need it. Gilead’s FOCUS program was created in 2010 with the goal to develop and share screening, diagnosis and linkage to care best practices with hospitals, community health centers and community-based organizations in these areas.

In 2017, FOCUS grew to encompass 169 partnerships in 83 cities and counties in the United States. The program’s geographic expansion has largely been driven by the recognized need for routine blood-borne virus screening and linkage to care in more rural areas of the country that are deeply impacted by the opioid and heroin epidemic. Since 2010, FOCUS partners have conducted 4.3 million HIV tests, 1.8 million HCV antibody tests and 106,000 HBV surface antigen tests.

To date, FOCUS partners have had more than 450 abstracts accepted to major conferences and have published 51 articles in peer-reviewed journals.

Community leaders from the Southern United States join Gilead in Atlanta for the launch of the Gilead COMPASS Initiative in December 2017.

### FOCUS by the numbers

**6.2 Million**  
Blood-Borne Virus Tests Since 2010

**4.3 Million**  
HIV tests

**1.8 Million**  
HCV Ab Tests

**106,000**  
HBV HBsAg Tests

**83**  
Current Cities and Counties

## STRATEGIC PARTNERSHIPS

Inadequate health infrastructures, financial challenges and societal barriers often keep patients in low- and middle-income countries from accessing the medicines they need. Through support programs and partnerships with leading health organizations, Gilead is improving global health by breaking down these barriers and helping to strengthen public health systems.

### Partnering with WHO on Visceral Leishmaniasis

Since 1992, Gilead has supported the World Health Organization's (WHO) efforts to eliminate visceral leishmaniasis (VL), also known as kala-azar, a deadly parasitic disease plaguing poor and underserved communities in Southeast Asia.

As a result of Gilead's support, a total of 241 health facilities are equipped to diagnose VL, provide cold chain storage, and administer AmBisome® (amphotericin B liposome for injection) in Ethiopia, Sudan, South Sudan, Bangladesh, India and Nepal. This network of health facilities covers approximately 268 million at-risk individuals in regions where approximately 400,000 new cases of VL are identified each year. Without treatment, VL is nearly always fatal. Since 2013, 300,000 vials of AmBisome® have been distributed to the six affected countries above, free of charge.

### Elton John AIDS Foundation Partnership

Gilead expanded its partnership with the Elton John AIDS Foundation (EJAF) in 2017 to include funding and medicines to support HIV and HCV initiatives. EJAF is a dynamic nonprofit organization whose mission is to end the AIDS epidemic by ensuring everyone

has the information and means to prevent infection and all people living with HIV have access to high-quality medical care and treatment. Through its partnership in the United States, Gilead and EJAF plan to reach an estimated 5,000 individuals living with HIV and another 10,000 at risk of HIV.

In 2017, EJAF, through the partnership with Gilead, announced the Key Populations Fund for Eastern Europe and Central Asia, focused on prevention and treatment of HIV and HCV among most vulnerable populations in the region. Over the course of three years, the fund will reach an estimated 20,000 people with HIV prevention, testing and related services. Gilead will also provide HCV medicines free of charge to approximately 5,000 patients in the region, where up to 97 percent of people living with HIV are co-infected with HCV.

### Partnering with Emory to Develop Tools for Mapping Diseases and Epidemics

A key part of combating epidemic and endemic disease is the ability to visualize where diseases are occurring and how they are spreading. Through partnerships with universities and other organizations, Gilead is supporting the development of innovative tools to help visualize the state of HIV and HCV infection, which vary widely by community across the United States.



**300,000 vials**  
of AmBisome distributed  
in six countries

#### AIDSVu

Since 2010, Gilead has partnered with Emory University's Rollins School of Public Health to make HIV surveillance data widely available, easily accessible and locally relevant. The AIDSVu online interactive mapping tool enables users to visualize the U.S. HIV epidemic at the state, county and ZIP code levels. AIDSVu also features searchable service locators for HIV testing, prevention and care services.

#### HepVu

Building on the success of AIDSVu, Gilead and Emory launched HepVu in 2017 to visualize the first standardized state-level estimates of people living with past or current HCV infection. The estimates were generated by a disease-modeling project funded by the CDC. HepVu also maps rates of reported HCV mortality at the state level.

Young women in Uganda, a DREAMS intervention district. Photo credit: Helen Mansun/USAID

## 2017 PEPFAR Global Results

### 25%-40%

decline in new HIV diagnoses among adolescent girls and young women through DREAMS

### 15.2 million

voluntary medical male circumcisions to prevent infections in men and boys

### 2.2 million

babies born HIV-free, who would have otherwise likely been infected

### 85.5 million

people, including more than 11.2 million pregnant women, who received HIV testing

### 13.3 million

men, women and children who were on antiviral treatment

### 6.4 million

orphans and vulnerable children who received care and support

### 250,000

new healthcare workers trained to deliver HIV and other health services

Results based on PEPFAR data through September 30, 2017.



“Thank you to Gilead for your partnership in DREAMS. Because of your generous contribution, we’ve been able to provide pre-exposure prophylaxis for 25,000 girls. This supported our overall DREAMS results: In the 10 African countries (63 districts) implementing DREAMS, the majority (65 percent or 41 districts) of the highest HIV-burden districts achieved a decline in new diagnoses among adolescent girls and young women ages 15–24 by more than 25 percent since 2015, including 14 districts that had a decline of greater than 40 percent. Importantly, new diagnoses declined in nearly all DREAMS intervention districts.”

**Ambassador Deborah L. Birx, M.D.**

U.S. Global AIDS Coordinator & U.S. Special Representative for Global Health Diplomacy

## DREAMS PEPFAR Partnership

Through a partnership with the United States President’s Emergency Plan for AIDS Relief (PEPFAR), Gilead and other partnering organizations aim to reduce HIV infections among adolescent girls and young women in 10 sub-Saharan African countries. The goal of DREAMS is to help girls develop into Determined, Resilient, Empowered, AIDS-free, Mentored and Safe women.

For the first time, the latest PEPFAR data show significant declines in new HIV diagnoses among adolescent girls and young women. In the 10 African countries (63 districts) implementing DREAMS, the majority (65 percent) of the highest HIV-burden communities or districts achieved up to 40 percent decline in new HIV diagnoses among young women. Importantly, new diagnoses declined in nearly all DREAMS intervention districts.



2016 Ebola Outbreak in Liberia

## Responding to Ebola and Other Emerging and Neglected Viruses

Gilead's research and partnership efforts in emerging viruses such as Ebola reflect our determination to contain and eliminate threats to public health in all parts of the world. Gilead partners with organizations including United States and global public health agencies, non-governmental organizations, universities and defense agencies to develop responses to health threats such as Ebola, MERS, dengue and other infectious diseases in low- and middle-income countries.

By engaging partners with complementary expertise and resources — such as the trusted relationships that MSF have forged in vulnerable communities, or the high containment labs at Department of Defense that support research into the most dangerous pathogens — we are working to make innovative medicines available in places where they are most needed, quickly and effectively, in ways that reduce the risk in communities vulnerable to these pathogens.

In 2017, we collaborated with these partners to conduct nonclinical and clinical research advancing the development of investigational agent remdesivir (GS-5734):

### National Institute of Allergy and Infectious Diseases (NIAID)

We continued an existing collaboration with NIAID in Liberia on testing remdesivir in Ebola survivors. The study expanded to Guinea in early 2018.

### United States Army Medical Research Institute of Infectious Diseases

In collaboration with the United States Department of Defense, we have demonstrated the efficacy of remdesivir in the lethal nonhuman primate model of Marburg infection with similar efficacy as against Ebola. We filed an Investigational New Drug application with the FDA to conduct clinical trials for Marburg virus infection in February 2018.

### United States Centers for Disease Control

In collaboration with the CDC, we have published a full broad-spectrum antiviral profile using in vitro data of remdesivir that includes not only Ebola, but also other pathogenic filoviruses (namely Marburg), coronaviruses (MERS, SARS) and paramyxoviruses (measles, Nipah, Hendra).

### Doctors Without Borders/ Medecins Sans Frontieres (MSF)

Gilead has worked closely with MSF to build a plan for future outbreak responses to enable emergency use of remdesivir for individual patients in the event of Ebola or Marburg outbreaks.

### University of North Carolina and Vanderbilt University

In collaboration with UNC and Vanderbilt, we characterized the in vivo efficacy of remdesivir against pathogenic coronaviruses (MERS and SARS). Results were published in the journal *Science Translational Medicine* in mid-2017. We are now engaging with key opinion leaders with a goal of initiating clinical testing in MERS-infected patients.

### WHO

In September 2017, we were invited to present at WHO headquarters in Geneva, Switzerland, on the preclinical profile of remdesivir against MERS and SARS.

## SUPPORTING ORGANIZATIONS THROUGH CORPORATE GIVING

In 2017, Gilead’s corporate giving program provided approximately \$400 million in cash donations to reduce health disparities, provide access to healthcare, advance education and support local communities around the world.

### Reducing Disparities

People should have access to the same healthcare, regardless of their background. At Gilead, we fund projects that support underserved communities that have systematically experienced greater social or economic obstacles to health.

### Black Women’s Health Imperative

#### Educating Black Women about HIV Prevention

Linda Goler Blount, President and CEO of Black Women’s Health Imperative (BWHI), knows that the collective power of Black women will move the needle on our health and wellness. Black women constitute about 13 percent of the female population in the United States but represent more than 60 percent of new HIV infections in women. BWHI is creating a platform for the voices that help give a very public and real face and story to the statistics in our communities.

These staggering statistics partly stem from the lack of education around HIV prevention in the Black community. “I had not heard of pre-exposure prophylaxis (PrEP),” says Washington, D.C., resident Gwendolyn Bell. “In two recent visits to the doctor, it has not been brought up to me.”

As part of BWHI’s comprehensive HIV prevention strategy, it recently launched a campaign to increase awareness of prevention tools such as PrEP. “Let’s Talk About PrEP” aims to educate women about HIV and the tools available to help protect against the disease. It uses social media and “guerrilla marketing” tactics to distribute educational materials, featuring positive imagery of strong Black women, in beauty



Linda Goler Blount, President and  
CEO of Black Women’s Health Imperative

### Black women represent:



13%

of the female population  
in the United States



60%

of the new HIV infections in  
women in the United States

salons and nightclubs around Atlanta, Baltimore and Washington, D.C.

BWHI is the only national organization dedicated exclusively to the health and wellness of the 21 million Black women and girls in the United States. “Our message is that you are in control. You can prevent HIV. You can protect yourself,” says Blount. “We can change the conversation from what’s wrong to what’s right.”

## \$28 million

in grants to more than 120 organizations working to raise awareness about HIV prevention since 2012.

## \$6 million

78 grants totaling almost \$6 million in 2017.



In 2017, **35%** of our total corporate grants were focused on improving access to healthcare worldwide.

### HIV Prevention Grants

Biomedical interventions are important strategies for reducing new HIV infections, but behavioral and structural challenges continue to impact populations vulnerable to HIV. Gilead provides financial grants to independent community organizations that help raise awareness about PrEP among at-risk populations as part of a comprehensive HIV prevention strategy. We have provided more than \$28 million in grants to more than 120 organizations working to raise awareness about HIV prevention since 2012, including 78 grants, totaling almost \$6 million in 2017.

### Providing Access

Through partnerships with other organizations, Gilead is working to overcome the barriers that prevent patients from accessing healthcare around the world. Gilead supports organizations that expand the capacity of healthcare systems, innovative models that help rural patients more easily access healthcare services, healthcare workforce training and other programs such as infrastructure/building health clinics that support underserved regions.

### BLQ Checkpoint in Bologna

#### HIV and HCV Testing and Support for the Italian LGBT Community

Italy's first and only community HIV and HCV testing center, BLQ Checkpoint in Bologna, Italy, provides a comfortable and open environment for patients seeking diagnostic care.

Since opening in September 2015, BLQ Checkpoint, supported in part by Gilead, has conducted more than 2,500 tests for HIV and HCV at its center located in Bologna's city center. Through testing, BLQ Checkpoint also educates its clientele, primarily made up of the LGBT community, about HIV and HCV. Volunteers say that sharing information about HCV is especially important, as the disease is virtually unknown in Italy.

Each person at BLQ Checkpoint meets with a counselor to review the testing process and answer any questions. "I was getting tested at the hospital and now I do it here," says one 30-year-old client who visits regularly. BLQ Checkpoint also offers monthly meetings for gay men living with HIV, with topics such as the legal implications of being HIV positive, how to navigate family tensions and the continued need for HIV activism.

"The purpose of BLQ Checkpoint is simple: the patients come to take tests and some even come just to talk, to get rid of any doubts," says Gianfranco Spreafico, a BLQ Checkpoint volunteer.

*Sandro Mattioli, President of Plus Onlus, the founding organization behind BLQ Checkpoint*



## Cancer Support Community

### Patient Insights and Policy Improve Oncology Care

Linda House, president of Cancer Support Community (CSC), recognizes the importance of evidence-based practices in cancer care. As head of a leading organization helping to improve the experience of being a cancer patient, she draws upon her years of experience as an oncology nurse to develop programming, services and policies that have real impact.

CSC promotes patient-empowered care, an active approach to treatment aimed at making patients “the quarterback in their own health decisions, rather than passive recipients of treatment,” says House. In 2016, the organization’s Cancer Support Helpline fielded nearly 18,000 calls from patients, families and health professionals seeking information, access to resources and supportive counseling. Many patients called to ask for help navigating policy roadblocks, including affordability challenges, narrow insurance networks and long delays for treatment authorization — which limit their ability to achieve the best health outcomes.

To help mitigate those underlying policy issues, the CSC’s Cancer Policy Institute, sponsored in part by Gilead, brings together patient care insights from the organization’s 170 support service locations, which operate in four countries, which includes 22 U.S. states and Washington, D.C. These insights inform policymakers of the impact healthcare legislation has on patients.

For example, the Cancer Policy Institute recently launched a patient survey to better understand the full patient experience and some less-known costs of care. The survey mapped where patients incur additional costs in their treatment, such as time off work, transportation and special food or clothes, in order to identify potential cost savings.

“The goal of the Cancer Policy Institute is to use our research and patient insights to inform policymakers at the local, state and federal levels,” says House. “The future of cancer care needs to think about cancer as a comprehensive illness, not just a tumor.”



170

CSC support service locations for people impacted by cancer.



4

Operating in four countries, which includes 22 U.S. states and Washington, D.C.



18,000

In 2016, CSC’s Cancer Support Helpline fielded nearly 18,000 calls from patients, families and health professionals seeking information, access to resources and supportive counseling.



*Patients and caregivers at an Immunotherapy Patients Summit sponsored by the Cancer Support Community, a global nonprofit whose services touch 1 million people.*

*Photo credit: Archival imagery supplied by Cancer Support Community.*

## Advancing Medical Education

Gilead strives to advance medical education worldwide. Effective education improves disease prevention and long-term disease management. We help community organizations by supporting disease awareness programs for patients and expanding knowledge and skills for healthcare professionals.

80%-90%

of Filipinos living with HBV contract it at birth, through mother-to-child transmission.

8 million

Filipinos affected by HBV.



of adult Filipinos are living with HBV.

Vhal Lucas



## Hepatology Society of the Philippines

### Raising Awareness of the HBV Epidemic in the Philippines

In 2008, Vhal Lucas and his immediate family tested positive for HBV. In the years that followed, he lost his three brothers to liver failure and liver cancer. This inexplicable tragedy inspired Vhal to support advocacy efforts led by the Hepatology Society of the Philippines, encouraging others to understand the consequences of not treating HBV.

The Hepatology Society of the Philippines is campaigning to increase awareness of HBV in the country. Its goal is to ensure that every Filipino is tested, vaccinated and treated for the disease, and to reduce stigma and discrimination against those who are living with HBV.

“In the Philippines, HBV is the leading cause of liver cancer. Sixteen percent of adult Filipinos are living with the disease. Eighty to 90 percent living with HBV contract it at birth, through mother-to-child transmission,” says Ian Homer Y. Cua, immediate past president of the Society. HBV affects almost 8 million Filipinos, many of whom ignore the diagnosis or try to manage it through diet.

“Lack of awareness leads to individuals not getting tested, not seeking care,” says Janus Ong, head of the Society. With support from Gilead, the Society launched a disease awareness campaign called “B Aware” to educate the public about hepatitis B risk factors, health consequences, treatment and prevention. The campaign reached Filipinos via advertisements on television, radio, billboards and buses, using celebrity endorsement to garner attention for its mission: to encourage Filipinos to “B Tested, B Vaccinated, B Treated.” On Facebook, more than 90,000 patients and their families saw it as a resource, which empowered them to speak out, ask questions and seek support.

### Supporting Local Communities

Gilead understands how important it is for people of all backgrounds to live in vibrant local communities. Gilead funds initiatives that promote the well-being and betterment of communities in which we live and work, as well as neighborhoods in need.



Nearly **70%** of those enrolled in the Individual Placement and Support program at Fred Finch Youth Center achieve employment.

*Staff members pause on the steps of Fred Finch Youth Center's historic administration building.*

*Photo credit: Archival imagery supplied by Fred Finch Youth Center.*



### Fred Finch Youth Center

#### Building on the Strengths of Disadvantaged Youth

Throughout his 30-year career, Tom Alexander, president and CEO of the Oakland, California-based Fred Finch Youth Center, has seen a major shift in the support of at-risk youth. Central to that shift is the inclusion of “wraparound” services, which form the basis of a community-based model for at-risk youth, disabled children and their caregivers and guardians.

This evidence-based approach brings services directly into communities, schools and family homes. The goal is to enable young people to live healthy and productive lives, which helps ensure more lasting results than those typically garnered from isolated residential programs, which were previously considered the standard of care.

One such program Fred Finch Youth Center employs, with support from Gilead, follows the Individual Placement and Support model (IPS) established by Dartmouth College. The program provides support and structure to youth ages 18 to 24 who are transitioning out of the foster care system and helps them gain competitive employment. Beyond resume skills and interview training, this program helps participants successfully launch into adulthood by earning financial independence and building self-esteem. Nearly 70 percent of those enrolled in IPS at Fred Finch Youth Center achieve competitive employment.

Established as an orphanage in 1891, the Fred Finch Youth Center continues to embody its founding principle that regardless of background, socioeconomic status or personal challenges, no one should be neglected or forgotten. “Kids have strength, no matter the hand they’re dealt,” says Alexander. “We owe it to them to capitalize on those strengths, rather than focus on the deficit.”



*Helena Ma, Gilead, China*

*Find out more at: [www.gilead.com/yir2017](http://www.gilead.com/yir2017)*

# WORKPLACE

## A WORLD-LEADING WORKFORCE

Gilead employees are vital to our mission to serve patients. This sense of shared purpose has allowed us to become one of the world's leading biopharmaceutical companies — enabling us to reach millions of patients worldwide. It is through the dedication of our employees and state-of-the-art technology that we've been able to launch new medicines at unprecedented rates that have turned the tide of serious, life-threatening diseases.



**Matt McKeivitt,**  
Gilead, Seattle, WA

At Gilead, we strive to create, promote and maintain an inclusive, high-performing culture where all team members embrace and leverage each other's talents and backgrounds. We place value on fostering and enhancing the talents of our employees, as well as enabling their growth, both personally and professionally. We also recognize that our workforce is diverse, and each employee has unique goals and needs, which is why we offer competitive compensation programs, as well as country-focused benefits related to health, wellness, retirement, disability and leave of absence.

### Retention, Rewards and Recognition

Gilead offers employees a competitive Total Rewards package to attract, cultivate and retain the industry's most talented workforce. Employees receive base pay, bonus and stock grant opportunities. Employees and their families also have access to a multitude of resources focused on health and wellness. Our Total Rewards package covers the following core elements:

### Retirement Savings

Gilead offers retirement savings plans to employees in many countries to help support and promote saving for retirements. Many of our retirement savings plans are designed to include a Gilead matching contribution, but plan design and contribution structure will vary from country to country, based on local market practice while ensuring compliance with laws and regulations in each country.

For detailed information about Gilead's defined benefit plan obligations, visit the company's Form 10-K on the [Shareholder Center](#) page of our website.

### Employee Stock Purchase Program

Gilead offers eligible employees the opportunity to become Gilead stockholders through the Employee Stock Purchase Plan. This plan, often referred to as the "ESPP," is offered only to Gilead employees. By enrolling in the ESPP, employees can purchase Gilead stock at a 15 percent discount, consistent with Internal Revenue Service requirements.

Visit Gilead's [Shareholder Center](#) webpage for more information.

### Compensation

- We are a pay-for-performance company.
- All Gilead employees receive regular performance and career development reviews.
- Gilead is committed to pay equity for its employees and will continue to review compensation to maintain fairness in pay practices.

### Benefits

- We offer comprehensive and market-competitive benefits to support and engage employees.
- We assess the benefits package annually to determine adequacy in attracting and retaining critical talent.

## 15% discount

By enrolling in the ESPP, employees can purchase Gilead stock at a 15 percent discount, consistent with IRS requirements.

### 2017 Corporate Learning and Development Statistics



All online training completions are assumed to be one hour.

### Health and Welfare Benefits

Gilead offers competitive extended healthcare and risk benefits in many countries.

Risk benefits include forms of coverage that help protect income and provide financial security including company-paid life insurance, accidental death and dismemberment insurance, business travel accident insurance, sick days and disability benefits.

Complementing extended healthcare benefits and risk benefits, Gilead also offers an array of services that help employees achieve and maintain optimal health, including biometric screenings, wellness seminars, on-site fitness centers or annual fitness reimbursement and health assessment tools.

In 2017, consistent with Gilead’s commitment to inclusion and supporting policies and programs that benefit all of our employees, we expanded the United States employee benefits to encompass transgender inclusive healthcare coverage.

### Time Off

Gilead offers a competitive time off program to help employees remain rested and balanced throughout the year. Time off benefits include company-paid vacation days and holidays, which vary from country to country while ensuring compliance with laws and regulations in each country and considering local and common market practice.

### Professional and Personal Development

Gilead is committed to providing learning and development opportunities to help worldwide employees advance their careers and achieve professional success. The Learning and Development Program offers a selection of trainings, coaching, mentoring and on-the-job experiences that help employees learn about our culture, develop cross-functional skills and deliver business results.



*Stephanie Cox, Gilead, Foster City, CA*

In 2017, Gilead employees completed 51,615 hours of professional, management and leadership development training programs.

### **Employee Survey**

Gilead's employees are the best source for ideas on how to build a more inclusive, high-performing and ultimately successful workplace culture. To make sure we hear from our employees, Gilead conducts periodic workplace surveys encompassing a wide range of topics such as manager relationships, professional development, diversity and equality and employee benefits.

### **MBA Program and Tuition Reimbursement**

To support continued education, Gilead offers employees discounts on MBA programs through the Golden Gate

University. In 2017, 109 employees participated in the on-site MBA program in Foster City. Employees can also 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.

### **Employee Assistance Plan (EAP)**

Employees are eligible to receive EAP services, which include financial, legal, pre-retirement, elder care and child care consultations, as well as clinical counseling.

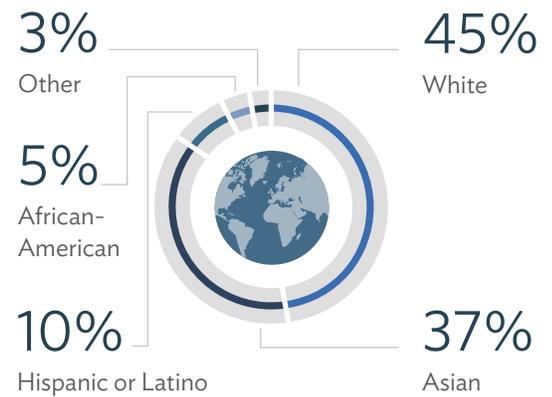
### **Parental Leave and Support**

Gilead offers family-friendly leaves of absence such as parental and adoption leaves to employees in many countries.

### 2017 Workforce Demographics

At Gilead, we monitor key workforce metrics to evaluate areas of strength and identify opportunities where we can do better. Each year, we review total new hires, voluntary turnovers, gender, race, ethnicity and many other related metrics. The following is a snapshot of some of Gilead’s workforce demographic data for 2017.

### 2017 U.S. Ethnicity Distribution



### Worldwide Gender Distribution



### Worldwide New Hires and Voluntary Turnovers

Category	2016	2017
New Hires*	1,629**	1,155
New Hire Rate	18.3%	12.7%
Voluntary Turnovers	816	781
Voluntary Turnover Rate	9.5%	8.5%

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

\*\*This is a restatement of the 2016 new hire value reported on p. 21 of the 2016 Year in Review. Refer to disclosure 102-48 in the GRI Content Index for additional details.

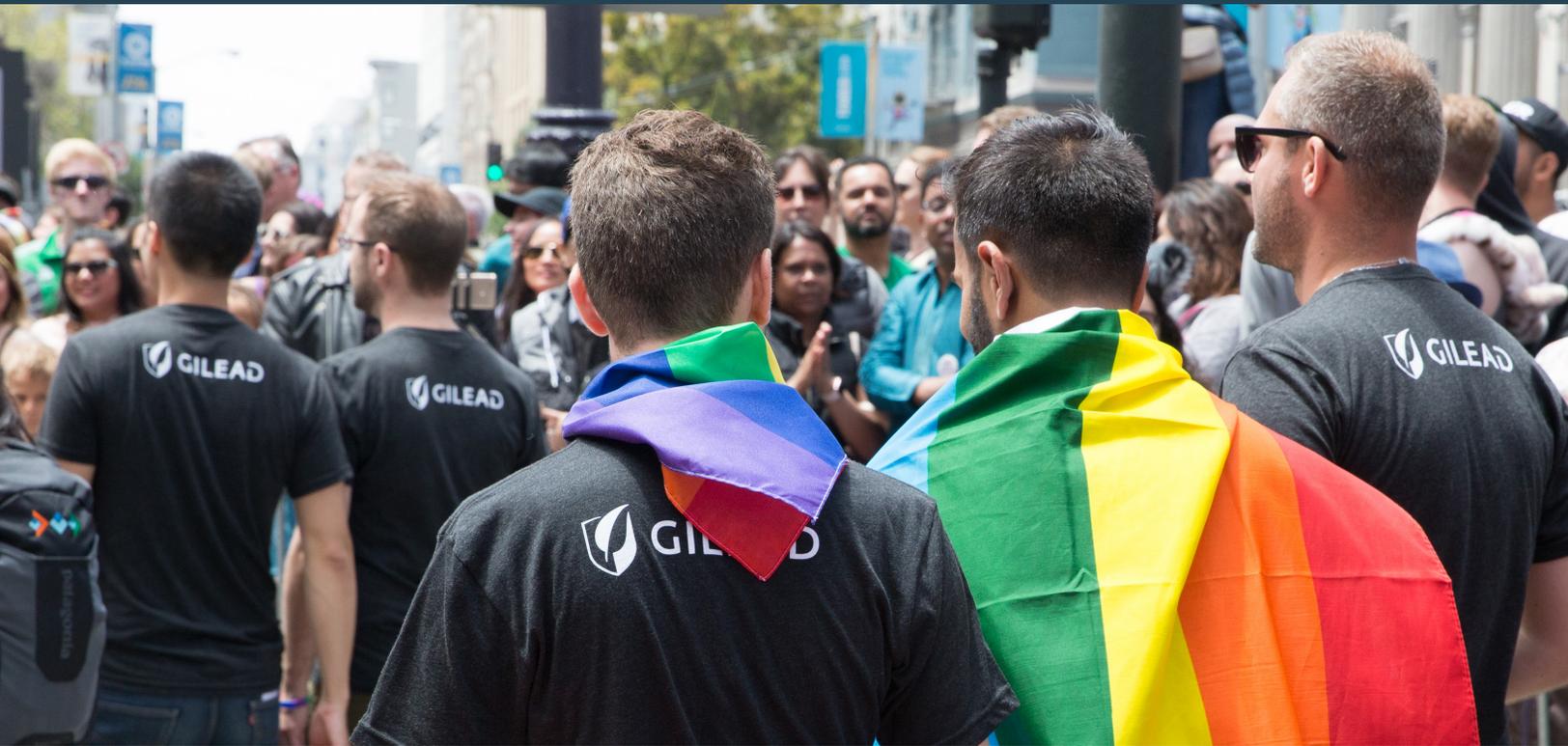
### United States Gender and Race/Ethnicity Distribution\*

EEO-1 Category	Gender		Race/Ethnicity				
	Male	Female	White	Black or African-American	Hispanic or Latino	Asian	Other**
Executives***	71.2%	28.8%	72.0%	5.6%	2.4%	17.6%	2.4%
First-/Mid-Level Managers	50.6%	49.4%	51.7%	4.8%	6.0%	34.7%	2.8%
Professionals	47.3%	52.7%	35.9%	2.7%	7.9%	50.5%	3.0%
Total Gilead United States Population	48.9%	51.1%	45.4%	4.7%	9.9%	36.9%	3.1%

\*Data based on U.S. definitions/demographics as of 2018 EEO-1 filing (based on 12/31/2017 data and includes Kite).

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

\*\*\*Executives comprise less than two percent of Gilead’s U.S. population.



## EMPLOYEE INCLUSION AND DIVERSITY

At Gilead, consistent with our core values, we seek to maximize the power of diversity and inclusion to drive innovation. Differences in race, age, gender, sexual orientation, gender identity and thinking style enhance our work environment and allow us to better understand the patients we serve — which is at the core of everything we do.

Created and led by employees, Gilead’s Employee Resource Groups (ERGs) provide opportunities for leadership development, community involvement, networking, mentoring, skills advancement and other ways for Gilead employees to make a difference beyond their usual work responsibilities.

Building on the positive momentum resulting from adding “inclusion” to the company’s core values in 2016, Gilead launched two new diversity-focused ERGs in 2017, Gileados and GVET.

*We are proud to be awarded “Best Places to Work for LGBTQ Equality” from the Human Rights Campaign, the largest U.S. LGBTQ civil rights organization.*

*Gilead employees participate in the 2017 San Francisco Pride Parade.*

**“Scientific progress depends on the ability to look at challenges from different angles. At Gilead, bringing together individuals with diverse perspectives drives innovation, enabling us to succeed as a company.”**

**John F. Milligan, Ph.D.**  
President and Chief Executive Officer

### 100% score

Human Rights Campaign’s 2018 Corporate Equality Index. Gilead is proud to be one of 609 businesses to earn this rating.

## Employee Resource Groups



### Gileados

Aims to embrace, foster and share diverse Latino culture among all Gilead employees.



### GVET

Aims to increase the recruitment and retention of veterans at Gilead while supporting outside organizations that serve veterans.



### Globe

Organized around four pillars: cultural awareness, community outreach and engagement, professional development and strategic partnerships.



### Women at Gilead

Coordinates programs and activities designed to contribute to the recruitment, development, support and retention of women at Gilead.



### LGBT Alliance

Fosters an environment of inclusion and a collaborative professional network to support LGBT employees in advancing their careers.



## Inclusion as a Core Value

- Encourage and support each other
- Recognize and mitigate unconscious bias
- Consider multiple pathways to success
- Respect people of all backgrounds and experiences
- Seek diverse perspectives to drive innovation

## VOLUNTEERISM

Through multiple volunteer initiatives, employees engage in a wide range of activities benefiting four core areas of focus: underserved communities, education, environment and health awareness/outreach.

In 2017, Gilead announced United States employees will receive an additional paid day off from work to volunteer with an organization of their choice starting in 2018. This program will be deployed worldwide in the future.

As part of Gilead’s “Week of Service” to celebrate the company’s 30th anniversary in 2017, teams for the company’s sites and affiliates around the world volunteered with charitable organizations where Gilead operates. In Foster City, approximately 500 employees completed more

than 1,000 community service hours for the following five organizations:

- Ecumenical Hunger Program
- International Medical Corps
- National AIDS Memorial Grove
- Fred Finch Youth Center
- Glide

Furthermore, in response to the devastating natural disasters that occurred in 2017 in the United States, Mexico and Puerto Rico, Gilead offered support to affected employees and their families in many ways, including covering the cost of hotel rooms for those evacuated, paid time off and financial assistance.

Also in 2017, attorneys from Gilead's legal team donated approximately 80 pro bono hours in support of the Legal Aid of San Mateo County and Family Violence Appellate Project, organizations committed to helping survivors of domestic violence. Through this engagement, Gilead attorneys helped improve California's legal landscape for survivors of domestic violence and their children.

**“Scientists teaching and talking to students about science careers is a vital part of career preparedness that students should be thinking about as early as middle school. Having a scientist ‘in the flesh,’ especially for students with limited exposure to professional or college-track careers, is a bonus that we are glad to offer.”**

**Paul Luperini**

Science teacher at Bayside Academy,  
on the benefits of Gilead scientists in the classroom

## *Gilead in the Community*

### **Inspiring the Next Generation of Scientists**

One of the most exciting virology projects at Gilead is a science lesson for middle-school students in the Foster City, California, community. Gilead is the first West Coast corporate sponsor for Science from Scientists (SfS), a national education nonprofit that brings professional scientists into classrooms to teach and inspire the next generation in science, technology, engineering and mathematics (STEM) fields.

Through the SfS corporate volunteer program, STEMissaries, a team of Gilead scientists developed a hands-on virology lesson to complement the SfS curriculum. Twenty Gilead volunteers have taught the lesson at two local middle schools: Bayside Academy in San Mateo, California, and Kennedy Middle School in Redwood City, California, where the majority of the student population is low income.

When Joanne Curley, VP, Project & Portfolio Management at Gilead, saw an article about SfS in a local newspaper, she immediately contacted SfS to explore school outreach opportunities. As word spread among Gilead's research teams, volunteers flocked to the program.

“I'm humbled to have a chance to reach out to the community to share our love of science with these kids, and maybe hopefully inspire them to one day want to be scientists as well,” said Kathy Brendza, senior research scientist I, Biology Core Support at Gilead, who led the lesson planning team and teaches with STEMissaries.

Brendza says the students she's worked with at both schools have come away inspired. They begin to understand the awe and wonder that many scientists feel about the world around them. They also see possibilities for their own lives, represented by professional scientists who are minorities, women or the first generation in their families to attend college.

“I think we all remember that one teacher who just lit that fire that made us want to be creative, to learn more, to do more,” Brendza said. “I hope we can inspire these students to help them realize a dream that they didn't think was possible.”

## WORK SAFETY TRAINING AND SECURITY

Gilead is committed to providing a safe and secure workplace that inspires innovation while promoting health, wellness and productivity across worldwide sites.

In 2017, our sites have focused on near-miss reporting, achieving nearly a 70 percent reporting rate. A near miss is an unplanned event that did not result in injury, illness or damage — but had the potential to do so. This enables the organization to address potential unsafe workplace conditions and prevent injuries. Tailored training sessions for site executives and line management and annual refresher courses and other resources are available to worldwide employees to increase workplace safety and prevent occupational injuries and illnesses.

To promote safety across our operations, executive management meets quarterly to review environment and safety performance and practices employed at each site. Sites also hold joint management-line health and safety committee meetings. If improvement opportunities are identified, deep-dive reviews are completed at individual sites to engage with on-site personnel to collect feedback and implement improvement measures.

Worldwide Safety			
Category	2016	2017	Benchmark Average*
Total Recordable Injury Counts	61	49	N/A
Total Lost Time Injury Counts	9	14	N/A
Total Fatalities	0	0	N/A
Total Recordable Injury Rate	0.63	0.46	2.0
Total Days Away Case	0.10	0.13	0.6

\*Based on NAICS Industry Code 3254 for Pharmaceutical and Medicine Manufacturing.

### 2017 Worldwide Safety Metrics



**49**  
Recordable  
injury counts



**14**  
Lost time  
injury counts



**0**  
Fatalities



**0.46**  
Recordable  
injury rate



**0.13**  
Days  
away case



*La Verne, CA Campus*

*Find out more at: [www.gilead.com/yir2017](http://www.gilead.com/yir2017)*

# PRACTICES & ENVIRONMENT

## SUSTAINABILITY STRATEGY

Gilead's worldwide sustainability strategy aims to reduce the environmental impact associated with our supply chain, manufacturing and distribution of products, design and construction and general operations of corporate facilities. To implement this strategy, Gilead targets improvement across multiple areas as described in this report.



David Cadogan  
Gilead, Cork, Ireland

### Procurement and Supply Chain

Gilead is committed to working with suppliers that share our values related to social, economic and environmental performance. As part of our procurement and supply-chain strategy, we employ responsible sourcing, supplier inclusion, auditing procedures, green chemistry and sustainable manufacturing and distribution principles to minimize the impact from our procurement and supply chain practices.

### Responsible Sourcing

Gilead's responsible sourcing efforts help ensure new and existing suppliers are as committed as we are to maintaining the highest standards of legal and ethical conduct.

In 2017, Gilead launched its [Supplier Code of Conduct](#) to integrate social, environmental and governance criteria into our procurement and supply-chain process. This document reflects the business practices and principles of behavior that support our commitment to supplier diversity, labor practices, human rights, environmental health and safety, environmental impact and management systems. It sets out the minimum requirements with which suppliers should comply within these areas.

Gilead selects suppliers who share our ethical standards. We vehemently oppose and condemn the use of child labor, unfair treatment, unfair wages, benefits and working hours, forced labor, human trafficking and discrimination based on race, color, gender, religion, disability, sexual orientation, gender identity or expression.

Gilead's suppliers actively work to reduce their environmental impact. Suppliers are encouraged to comply with all applicable environmental regulations, conserve natural resources, and, where possible, avoid use of hazardous materials, conflict minerals and restricted substances. Suppliers must also have systems in place to ensure safe handling, movement, storage, recycling, reuse or management of waste, air emissions and wastewater discharges. Beginning in 2019, we intend to meet with our key suppliers to review their greenhouse gas emission reduction plans.

*In 2017, more than 100 of our suppliers for the Commercial, IT, Facilities, Research & Development, Human Resources and Public Affairs groups, representing more than \$1 billion dollars in spend, signed Gilead's Supplier Code of Conduct.*

### Supplier Inclusion

Gilead's Supplier Inclusion program integrates inclusion and diversity principles into Gilead's company-wide procurement process.

Consistent with our core value of inclusion, our goal is to create and foster an inclusive and high-performing supply base where we embrace and leverage the unique talents of small businesses and/or businesses owned by women, minorities, LGBT individuals, veterans and service-disabled veterans.

### Auditing Procedures

In an effort to maintain high standards throughout our supply chain, Gilead regularly monitors supplier activities to confirm adherence to Gilead policies and governing regulations.

In some cases, site audits are conducted to evaluate compliance with regulatory policies including, but not limited to, the Foreign Corrupt Practices Act, the United States Trafficking Victims Protection Act (TVPA), and other applicable labor and environmental regulatory policies. These audits also ensure product quality and compliance with current good manufacturing (GMP) and good distribution practices, regulations and guidance.

In 2015, Gilead implemented an Environmental Health and Safety (EH&S) auditing program for drug substances. Since its inception, more than 55 on-site audits or EH&S visits have been conducted to determine the extent to which chemical raw

### 2017 Influential Supplier Inclusion Partnerships

#### Diversity Alliance for Science

Identifies small and/or diverse businesses with whom Gilead and its industry peers can partner.

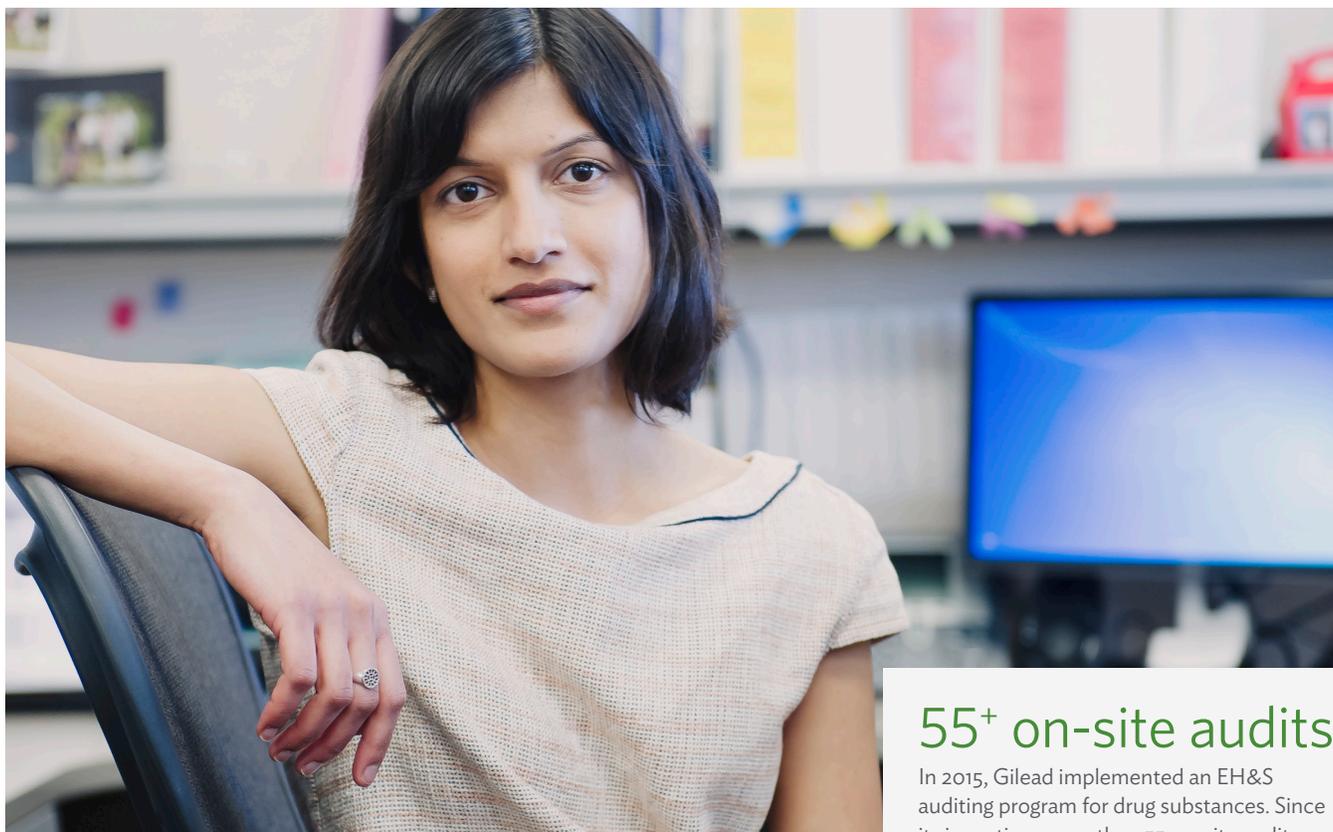
#### Institute for Supply Management Supplier Diversity Pharmaceutical Forum

A forum where members are dedicated to:

- Driving business results through innovation, agility and performance
- Mentoring and developing small and diverse suppliers
- Inclusive procurement
- Sharing best practices

#### Western Regional Minority Supplier Development Council

Supports the growth and welfare of minority communities by championing the use of minority-owned businesses in Northern California, Nevada and Hawaii.



*Harini Sundar, Gilead, Foster City, CA*

materials manufacturers and suppliers of finished active pharmaceutical ingredients are meeting Gilead's EH&S standards. Manufacturing suppliers are audited for practices including, but not limited to, capture of volatile organic compounds, chemical solid waste disposal, solvent recycling, compliance with local and international standards and other EH&S-related measures.

For on-site audits, reports are prepared to summarize any observations and shared with the supplier and Gilead's procurement personnel. If Gilead identifies actual or potential violations of our company policies or governing regulations, corrective action is recommended, and the supplier is flagged for follow-up evaluations. Certain violations, such as the use

of forced labor, human trafficking or environmental negligence, would result in a terminated agreement and the supplying organization would be removed from Gilead's supply chain.

### Countries of Origin

We routinely evaluate and address the risk of ethical violations for all countries involved in our supply chain by relying on various government records and other information to identify risks and act accordingly. Our product ingredients are sourced primarily from countries the United States Department of State has designated as being compliant with the TVPA minimum standards. We take extra precautions before sourcing product from countries that are still making efforts to bring themselves

## 55+ on-site audits

In 2015, Gilead implemented an EH&S auditing program for drug substances. Since its inception, more than 55 on-site audits or EH&S visits have been conducted.

into full compliance with the TVPA.

To verify compliance with our ethical standards, we visit many of our manufacturing suppliers in person, and only select suppliers that have been in business long enough to demonstrate compliance with our standards.

### Manufacturing and Distribution

Gilead uses a combination of company-owned facilities and strategic third-party partners to manufacture and distribute products worldwide. With manufacturing sites located in the United States, Canada and Ireland, our Pharmaceutical Development and Manufacturing group is committed to reducing the environmental impact associated with manufacturing our products.

Gilead's suppliers for active pharmaceutical ingredients (APIs) and drug products must observe GMP regulations as required by the FDA and other relevant health authorities worldwide. GMP covers all aspects of production including manufacturing procedures, testing methods, maintenance of premises and equipment, training, personal hygiene of staff and appropriate documentation.

### Green and Sustainable Chemistry

Innovating effective and efficient ways to manufacture pharmaceuticals has positive environmental benefits, including minimizing the energy, water, solvents and raw materials used to manufacture products. Gilead's PDM group incorporates green chemistry and sustainability principles throughout the product life cycle to support the company's commitment to minimizing the impact on the environment. The process chemistry teams, based in Foster City, California, and Edmonton, Alberta, Canada, are responsible for integrating green chemistry principles into the design and development of commercially viable chemical processes for Gilead's APIs.

Chemists and engineers are tasked with identifying manufacturing process improvement measures that enhance productivity and efficiency and reduce environmental impact. This includes employing green chemistry techniques and technologies such as enzymatic catalysis and flow chemistry, as well as selection of green solvents for use in the synthetic process and equipment cleaning.

By improving the chemical manufacturing process, we can produce the same amount of APIs with fewer manufacturing batches. This process improvement, along with more efficient equipment cleaning procedures, can significantly reduce overall solvent and water use. In 2017, our chemists improved three commercial processes, which reduced use of organic cleaning solvents by 60,000 liters and water use by about 550,000 liters at the Alberta plant.

Green chemistry metrics are used to evaluate process efficiency and to develop efficient and environmentally friendly manufacturing processes. Process mass intensity (PMI) is a green chemistry metric used industrywide to quantify the efficiency of a process. For a given process step, PMI represents the mass of all inputs going into a process (substrates, reagents, solvents and water) divided by the mass

### Process Mass Intensity reduction projects implemented in 2017

#### Clinical Development API Projects:



**88%**

Reduced waste per kilogram of organic solvent consumption by as much as 88 percent



**84%**

Reduced waste per kilogram of drug substance use by up to 84 percent



**30%**

Reduced waste per kilogram of water use by more than 30 percent

#### Commercial API Projects:



**20%**

Reduced PMIs by up to 20 percent through various improvement projects



Anand Chokkalingam,  
Gilead, Foster City, CA

of the product isolated. In addition to quantification of step efficiency, the PMI of an entire process or route can be calculated and analyzed in terms of the contribution that each of the categories (substrates, reagents, solvents, water) makes to the PMI. Examining each step of a synthesis in this manner helps process chemists identify opportunities to improve the efficiency of the processes.

In 2017, process chemists began assessing PMIs for both development and commercial processes. As a result, significant reductions in PMIs for many projects have been realized, leading to reduced waste, energy, water and solvent usage.

### Product Safety, Labeling, Marketing, Data Security and Anti-Counterfeiting

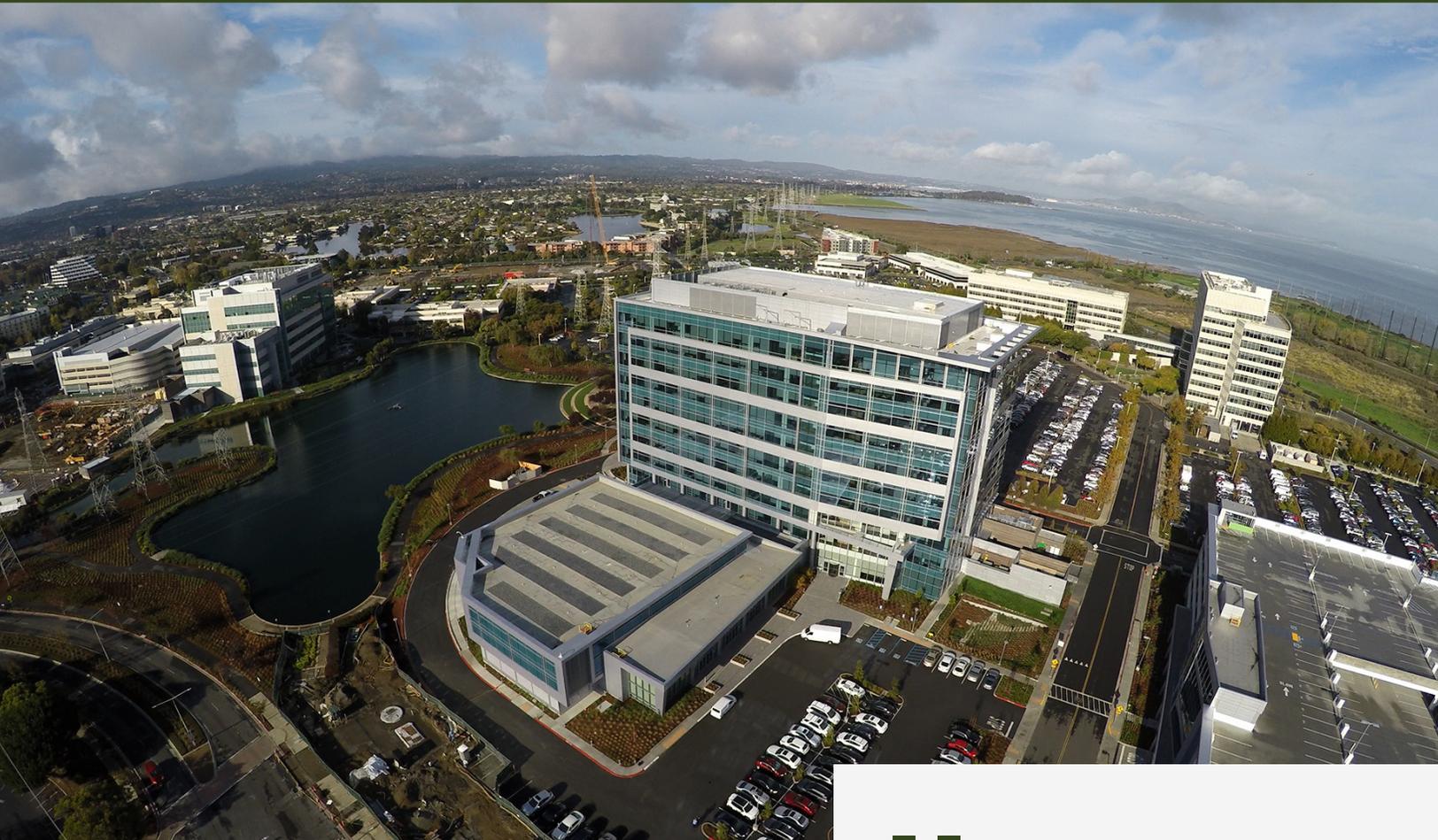
Gilead adheres to high standards with respect to product safety, labeling, marketing, data security and anti-counterfeiting. All Gilead products go through rigorous development, testing and clinical trials, and are labeled and marketed pursuant to governing policies and regulations.

In 2017, Gilead incurred one penalty for omitting product distribution and pricing information from a poster presentation in Greece. Aside from this, no other violations or penalties occurred in 2017 for safety, labeling, marketing, advertising or sponsorship.

To mitigate risks associated with data security, we use third-party managed security services to monitor cybersecurity incidents and advanced persistent threats. We also employ in-house technology solutions and a Security Operations Center to help maintain the integrity of Gilead's infrastructure and systems. In addition, we use a combination of systems and processes to comply with data protection regulations, such as the European Union Data Protection Directive, for storage and use of personal data.

In 2017, there were no substantiated complaints concerning breaches of customer privacy or losses of customer data.

Gilead's Anti-Counterfeiting Team consists of brand protection, legal, security, supply chain, quality and packaging professionals who collaborate to address the threat to patient safety associated with counterfeit or diverted Gilead medicines. Gilead's Anti-Counterfeiting Team uses measures to detect, stop, deter and report illicit sales of counterfeit medicines.



 Foster City, CA

## GILEAD SITES

### Responsible Growth Through Master Planning

Gilead currently controls 4.5 million square feet of facilities worldwide. In 2017, Gilead launched a facilities master planning effort aimed to provide context and detailed plans for responsible future growth while simultaneously minimizing the environmental footprint of worldwide facilities. Initially piloted for the largest Gilead campus in Foster City, California, the master planning effort has now expanded to cover Europe, Middle East and Africa, Asia Pacific and Latin America.



**4.5 million ft<sup>2</sup>**  
of facilities

### *Key objectives of the facilities master planning effort*

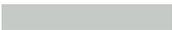
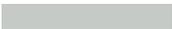
- Provide context and strategic plans for future real estate decisions.
- Drive optimal utilization, reliability and efficiency of existing facilities.
- Ensure the safety and well-being of employees, while driving toward an efficient footprint that maximizes productivity.
- Establish a standard for environmental sustainability through thoughtful engineering, construction and operation of facilities worldwide.

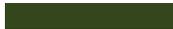
## Green Building at Gilead

Gilead employs innovative green building practices in both design and construction of new state-of-the-art facilities and efficient operation of existing facilities. Where possible, Gilead integrates local green building standards including Leadership in Energy and Environmental Design® (LEED®), Building Research Establishment Environmental Assessment Method® (BREEAM®), Haute Qualité Environnementale™ (HQE™) and other local green building standards. The following Gilead sites are either pursuing or have achieved green building recognitions to date.



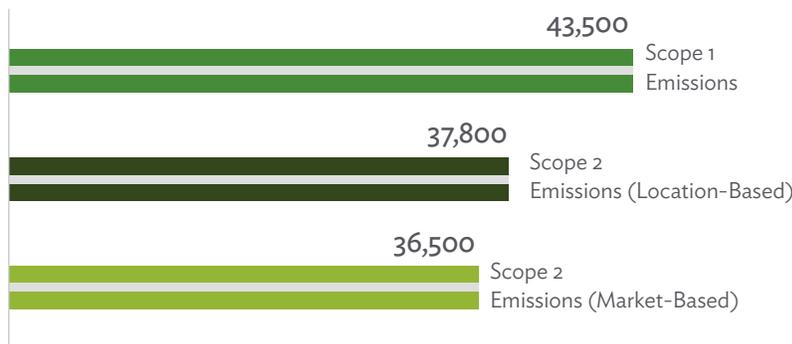
### Gilead Green Building Recognitions Worldwide

Location	Green Building Recognition
Amsterdam, Netherlands	
Beijing, China	
Brussels, Belgium	
Buenos Aires, Argentina	
Cambridge, U.K.	
Cork, Ireland	
Dubai, UAE	
Foster City, U.S.	
Hong Kong, China	
Istanbul, Turkey	
Lisbon, Portugal	
London, U.K.	
Madrid, Spain	
Melbourne, Australia	
Mexico City, Mexico	
Milan, Italy	

Location	Green Building Recognition
Moscow, Russia	
Oceanside, U.S.	
Paris, France	
Sao Paulo, Brazil	
Seattle, Washington, U.S.	
Seoul, Korea	
Shanghai, China	
Singapore	
Stockholm, Sweden	
Stockley Park, U.K.	
Tel Aviv, Israel	
Tokyo, Japan	
Vantaa, Finland	
Vienna, Austria	
Warsaw, Poland	
Washington, D.C., U.S.	
Zug, Switzerland	

## 2016 Greenhouse Gas Emissions from Gilead Facilities Worldwide

Metric Ton Carbon Dioxide Equivalent (MT CO<sub>2</sub>e)



*We intend to publish Gilead’s verified 2017 worldwide greenhouse gas inventory in the 2018 Year in Review.*

### Greenhouse Gas Inventory

Gilead expanded its greenhouse gas reporting boundary in 2016 to include Scope 1 and 2 emissions from worldwide operations using the World Resources Institute (WRI)/World Business Council for Sustainable Development (WBCSD) Greenhouse Gas Protocol for Scope 1 and 2 emissions. We currently track carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O) and hydrofluorocarbons (HFCs) from stationary, mobile and fugitive emission sources.

2016 serves as our baseline year for benchmarking purposes, and our reporting boundary includes all sites for which Gilead maintained operational control between Jan. 1, 2016, and Dec. 31, 2016. The level of assurance was provided in August 2017 by a certified assurance provider using the International Organization for Standardization (ISO) 14064-3 standard for greenhouse gas assertions.



Wind turbines in Cork, Ireland



*Foster City Campus*  
2.8 million ft<sup>2</sup>

## **FOSTER CITY, CALIFORNIA, UNITED STATES**

Located in Foster City, California, Gilead’s worldwide headquarters contains 2.8 million square feet of office, research and development and laboratory space.

### **Green Building**

In 2017, the Foster City campus expanded in line with the site’s ambitious master plan to include two new buildings: a cross-functional research and development facility and a pilot plant and lab for the Pharmaceutical Development and Manufacturing group. Developed in partnership with the Foster City community, the master plan incorporates responsible growth and green building requirements, while helping to ensure the needs of the local community are met.

### **Biodiversity**

The Foster City campus borders a sensitive wetland area adjacent to the San Francisco Bay, so Gilead and its partners take great precautions to minimize potential environmental impact related to our operations and construction activities. For example, Gilead and its partners follow a comprehensive stormwater pollution prevention plan during construction, and natural bioswales are used to prevent surface pollutants from entering into the adjacent bay.

### **Energy Use**

At the Foster City campus, Gilead uses advanced energy management and demand response measures to reduce energy consumption, manage peak electricity demand

*The two new high-performance buildings in Foster City are pursuing LEED® Silver certification and contain the following sustainable design features:*



Electric vehicle charging stations and preferred parking for carpool and low-emitting vehicles.



“Cool roofs” to reduce the urban heat island effect.



Energy-efficient lighting and mechanical systems.



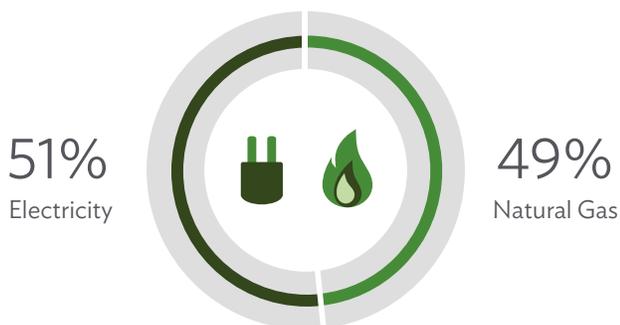
Building materials made of recycled, locally sourced and/or low-emitting/nontoxic raw materials.



Wood sourced from sustainably managed forests.

and minimize greenhouse gas emissions. In 2017, we implemented 79 energy conservation measures, reducing annual energy use by an estimated 15,400 MMBtu. By September 2017, we procured 50 percent of the total campus annual electricity use from renewable energy sources.

### 2017 Foster City Campus Energy Use



Foster City Campus Energy Use in MMBtu		
	2016*	2017
Electricity	182,170	183,502
Natural Gas	174,534	177,074
<b>Total</b>	<b>356,704</b>	<b>360,576</b>

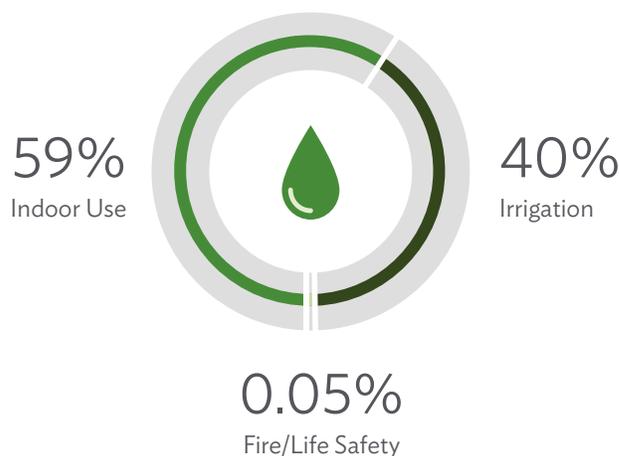
Foster City Campus Energy Use Intensity in kBtu/ft <sup>2</sup>		
	2016*	2017
Campus Area (ft <sup>2</sup> )	2,353,206	2,794,761
Electricity	77	66
Natural Gas	74	63
<b>Total</b>	<b>152</b>	<b>129</b>

Calculated by dividing the total electricity and gas consumed by regularly occupied buildings by the gross square footage of occupied buildings. The energy usage and square footage of buildings undergoing construction are omitted from the EUI calculation to enable accurate year-over-year comparison of energy intensity data.

### Water Use

Building domestic water and landscape irrigation are the primary sources of water consumption on the Foster City campus. To reduce domestic water use, all buildings on the Foster City campus are outfitted with low-flow water fixtures, and laboratories use highly efficient centralized equipment washers in place of smaller localized equipment washers. To reduce water used for landscape irrigation, smart, weather-based irrigation controllers are used in conjunction with efficient irrigation distribution systems. In 2017, the Foster City campus used a total of 44,143,927 gallons of municipal water.

### 2017 Foster City Campus Water Use



Foster City Campus Water Use in Gallons		
	2016*	2017
Indoor Use	28,738,585	26,181,002
Irrigation	12,118,410	17,937,491
Fire/Life Safety	47,875	25,434
<b>Total</b>	<b>40,904,870</b>	<b>44,143,927</b>

\* Restatement of data reported in the 2016 Year in Review. Refer to disclosure 102-48 in the GRI Content Index for additional details.

### Foster City Campus Waste Disposal by Weight in Metric Tons

Non-hazardous Waste Disposal	2016*	2017
Garbage	831	785
Organics	565	716
Recyclables	848	983
<b>Total</b>	<b>2,244</b>	<b>2,484</b>
Hazardous Waste Disposal		
Incineration	Not reported	256
Energy Recovery		93
E-Waste Recyclables		19
On-site Storage		4
Neutralization		2
Solvent Recovery		2
Metal Recovery		1
Recovery for Reuse		0.08
Landfill		-
<b>Total</b>		

Waste data provided by waste disposal contractors.

### Waste Reduction and Recycling

A comprehensive recycling program is in place across the Foster City campus to minimize landfilled waste and greenhouse gas emissions. Employee cafeterias, break rooms and other areas are equipped with compostable cups, containers and flatware, and designated recycling, compost and trash bins are provided for proper waste disposal. Water filtration stations are available to promote the use of reusable drink containers. In 2017, Gilead’s Foster City campus achieved a waste diversion rate of 68 percent (by weight), up from 63 percent (by weight) in 2016.

The hazardous waste generated from laboratories and other areas is managed by Gilead’s EH&S team. In 2017, 377 metric tons of hazardous waste was exported from the Foster City campus for disposal. No hazardous waste was imported to the site, treated on-site or shipped internationally.

Gilead and its partners follow stringent construction waste management and recycling plans to minimize the volume of construction waste sent to local landfills. By the end of 2017, 93 percent of construction- and demolition-related waste (by weight) from our new research and development facility was diverted from local landfills.

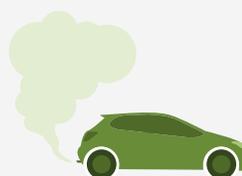
\*Restatement of data reported in the 2016 Year in Review. Refer to disclosure 102-48 in the GRI Content Index for additional details.

### 2017 Foster City Transportation Metrics



300

commuters transported by Gilead’s employee bus per day



1,728

metric tons of CO<sub>2</sub>e emissions reduced from employee vehicles through campus shuttle program

### Transportation

Gilead is committed to reducing greenhouse gas emissions, air pollutants, traffic and other negative environmental impacts resulting from employee transportation. In 2017, Gilead’s employee bus transported an average of 300 commuters each day, reducing greenhouse gas emissions from employee vehicles by 1,728 metric tons of CO<sub>2</sub>e.

Additional shuttles are provided servicing Bay Area Regional Transit (BART) and Caltrain stations. Gilead’s Commuter Check program helps employees offset the cost of alternative transportation by subsidizing approved transportation modes including BART, Caltrain, vanpools and regional buses.

To promote bicycle transportation, Gilead offers employees and visitors on-site bike lockers and showers. In addition, Gilead partners with a mobile bike service vendor that completed 29 bicycle repairs for Gilead employees in 2017.



*La Verne and San Dimas Campuses*

23 acres in La Verne

**LA VERNE AND SAN DIMAS, CALIFORNIA, UNITED STATES**

For more than 20 years, Gilead’s San Dimas facility has manufactured, packaged and distributed our products throughout the Americas and the Pacific Rim. In August 2017, Gilead celebrated the grand opening of our newest production facility on a 23-acre campus in La Verne.

In 2017, production efforts began at the La Verne facility, which will eventually replace our production facility in San Dimas. La Verne substantially increases Gilead’s manufacturing capacity and utilizes state of the art equipment. When fully operational, the site will employ up to 500 people, making it the second-largest employer in La Verne.

The custom-designed, 350,000-square-foot facility includes ISO 5 to ISO 8 clean rooms and tablet and vial packaging lines to support large-scale pharmaceutical manufacturing and packaging. The lab-office building houses quality control, validation and manufacturing technical support laboratories as well as a full-service cafeteria and fitness center.

The La Verne campus was designed around core sustainability concepts, including a central plant capable of maintaining high levels of operating efficiency as it responds to varying demands of the campus. Energy and water recovery technology is utilized to recover valuable resources from process waste streams. A network of advanced sensors allows for real-time monitoring of energy systems. The roof has been designed to accommodate future installation of

solar photovoltaic systems and electric charging stations have been installed to support employees and visitors using electric vehicles.

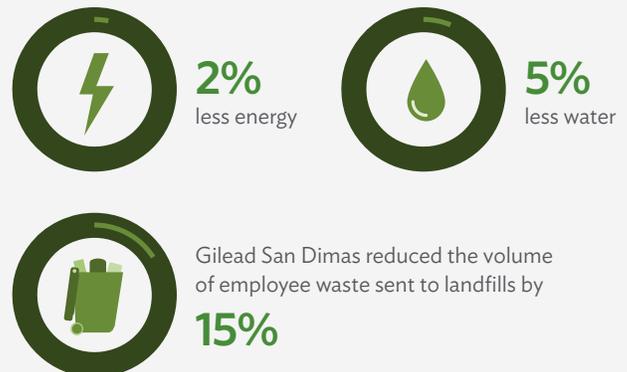
Large glass panels, skylights and solar tubes allow natural light to illuminate large portions of the facility during the day. Efficient LED lighting is used across the campus and is controlled with advanced sensors and timers.

Water consumption is minimized on campus through the use of drought-tolerant vegetation, low-flow fixtures and automatic faucets.

In 2016, a shuttle service was initiated to transport employees between the San Dimas and La Verne sites to reduce single-passenger vehicle trips and greenhouse gas emissions. In 2017, a commuting survey was distributed to employees to collect information on commuting methods. In response to the results from the survey, an incentivized rideshare program was subsequently launched to further reduce greenhouse gas emissions from single-passenger vehicles and provide employees other transportation options.

In 2017, the San Dimas facility continued to improve and streamline its operations. The site used 2 percent less energy and 5 percent less water compared with 2016. In addition, through initiatives like compost collection and reusable cup programs, Gilead San Dimas reduced the volume of employee waste sent to landfills by 15 percent compared with 2016.

*Compared to 2016, the site used:*





## OCEANSIDE, CALIFORNIA, UNITED STATES

Gilead’s Oceanside facility is responsible for the clinical manufacture and process development of biologics candidates in preclinical, Phase 1 and Phase 2 testing.

Exemplified by its LEED® Gold certified office and laboratory facility, the Oceanside site features an array of sustainable design elements inspired by a team driven by continuous improvement.

In 2017, the cooling towers serving the manufacturing facility were retrofitted with a new water treatment technology to eliminate chemical use. In addition, a water reuse system was installed in 2016 to capture discharge water from the building’s reverse osmosis system to provide make-up water for the cooling towers. This retrofit reduced cooling tower water consumption by 44 percent in 2017 compared with 2016.

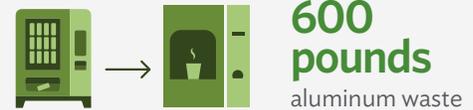
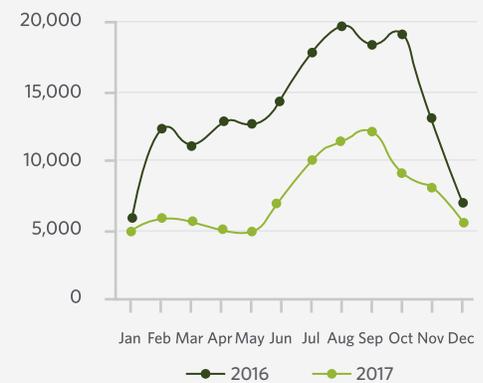
To reduce the amount of process water, energy, chemicals and steam used for cleaning manufacturing equipment and parts, a feasibility study was conducted in 2017 to increase the clean hold time (CHT), or amount of time stainless steel tanks can be held before they are used or need to be re-cleaned. The study identified a process improvement that will allow the CHT to be extended up to 14 days, which will reduce energy and chemical consumption and save up to 39,000 gallons of water each year. This process improvement is anticipated to be complete in early 2018.

To reduce waste, vending machines in employee break rooms were replaced in 2017 with fountain drink systems and reusable cups, eliminating approximately 600 pounds of aluminum waste. Plastic materials from lab areas were recycled and turned into composite park benches. In addition, nearly 11 metric tons of green waste were collected and reused as mulch to enrich soils.

### Oceanside Cooling Tower Avg. Daily Water Use

(Gallons Per Day)

This retrofit reduced cooling tower water consumption by 44 percent in 2017 compared with 2016.



To reduce waste, vending machines in employee break rooms were replaced in 2017 with fountain drink systems and reusable cups, eliminating approximately 600 pounds of aluminum waste.

### 11 metric tons

of green waste were collected and reused as mulch to enrich soils.

*Edmonton Campus*

**ISO 14001**

certified



**EDMONTON,  
ALBERTA, CANADA**

Gilead’s facility in Alberta focuses on the development and manufacturing of active pharmaceutical ingredients for the company’s investigational compounds and commercial products. The site also provides process and analytical support to Gilead’s commercial contract API manufacturing sites around the world.

Since 2010, Gilead Alberta’s GreenInitiative (GI) volunteer committee has been responsible for fostering environmental awareness, through education and grass roots awareness campaigns across the campus. The GI committee also conducts annual Environmental Behavior Improvement Audits to identify opportunities for improvement.

Gilead Alberta has been ISO 14001 certified since 2012. In 2017, the site achieved certification under the new ISO 14001: 2015 Standard. Continued compliance with this standard demonstrates the facility’s commitment to achieving financial and operational benefits through implementing policies that also reduce their overall impact on the environment.

Cradle-to-grave hazardous waste audits were conducted in 2017, resulting in improved safety at the hazardous waste storage facilities and improved regulatory compliance.

In 2017, the facilities team concluded a multi-year effort to reconfigure vacuum pumps on the East Campus from water sealed to dry-sealed systems. The project eliminated the potential for solvent entrainment into the sanitary sewer and reduced potable water consumption by more than 6.9 million gallons per year.

Other measures implemented by the facilities team in 2017 included recapturing steam condensate and replacing a fixed speed air compressor in the plant with a variable frequency drive. These measures reduced potable water use by 30,900 gallons and electricity use by approximately 219 MWh per year.

*2017 Gilead Waste  
Reductions at Edmonton*



**5.4** metric tons  
of e-waste and 335 toner  
cartridges recycled



**52.0** metric tons  
of organic waste composted



**9.6** metric tons  
of clean wood recycled



**2.8** metric tons  
of construction and  
demolition waste recycled



### Stockley Park and Cambridge Campuses

**BREEAM®**  
“Very Good” ratings

## CAMBRIDGE, UNITED KINGDOM

In 2017, Gilead celebrated the opening of a new building for its research and development facility in Granta Park, Cambridge, which supports countries in Europe, Australia and other parts of the world.

Completed in just 18 months after the official groundbreaking, the new facility consolidates operations from two existing buildings into one high-performance green building. By maximizing both active and passive design elements, and incorporating on-site renewable energy generation, this facility achieved a BREEAM® “Very Good” rating and is one of the company’s most sustainable sites.

## STOCKLEY PARK, UNITED KINGDOM

Gilead’s Stockley Park office provides centralized support for most of Gilead’s operations outside the United States and Canada.

To conserve energy, the facility uses an advanced building management system to automatically control space temperatures, unoccupied setbacks and lighting systems. New initiatives were implemented in 2017 to encourage employees and building staff to turn off plug load equipment when not in use and to be proactive in reporting instances of energy and water waste. For example, Stockley Park achieved

### Cambridge’s key green building features include:

- 65 kW on-site solar photovoltaic system to offset grid-supplied electricity.
- Passive shading on the south façade to manage solar heat gain.
- LED lighting controlled with advanced sensors and timers.
- Building management system to optimize building operating schedules and temperature set points.
- 80 bicycle bays to promote alternative commuting.
- Sustainably sourced materials such as certified wood products from responsibly managed forests.
- Reusable water stations to eliminate single-use plastic cups.
- Infrastructure for eight electric vehicle charging stations scheduled to be installed in 2018.

an annual water use reduction of 12,000 gallons as a result of water conservation efforts implemented in 2017.

To reduce waste sent to local landfills, the facilities team implemented a centralized recycling bin program to maximize recycling rates, conversion of waste-to-energy and transfer of organic waste to anaerobic digesters. These, and other measures, enabled this BREEAM® “Very Good” rated facility to maintain its zero landfill status in 2017.

To reduce transportation-related emissions and to encourage employees to commute using alternative fuel vehicles, four electric vehicle charging stations were installed at Stockley Park in 2017.



**Cork Campus**

Zero landfill waste status for five consecutive years

**CORK, IRELAND**

Gilead Sciences Ireland Unlimited Company (GSIUC) is responsible for manufacturing, quality control, packaging, and release and distribution of the company’s products in the European Union and other international locations.

The Corporate Social Responsibility (CSR) committee in Cork is guided by principles of promoting science, supporting the local community, promoting the health and well-being of employees and aligning with Gilead’s therapeutic areas. The committee has successfully created a strong culture that inspires employees to continually strive to develop new sustainable processes to minimize our impact on the environment.

2017 marks the fifth consecutive year the Cork site has maintained its zero-waste-to-landfill status. Since the goal to eliminate waste was set in 2012, more than 100 metric tons of solid waste have been diverted from Ireland’s landfills.

Beginning in 2017, the Cork site started sending hazardous waste to a facility capable of converting it into usable electricity. In this first year, more than 50 metric tons of hazardous waste were converted to approximately 29 MWh of electricity. All effluent and wastewater streams are treated on-site, and no process waste is emitted directly to the atmosphere.

In 2017, an engineering analysis determined that the existing roof drainage network was capable of harvesting approximately 3,700 gallons of water per day. This is enough to reduce the amount of municipal water needed to generate

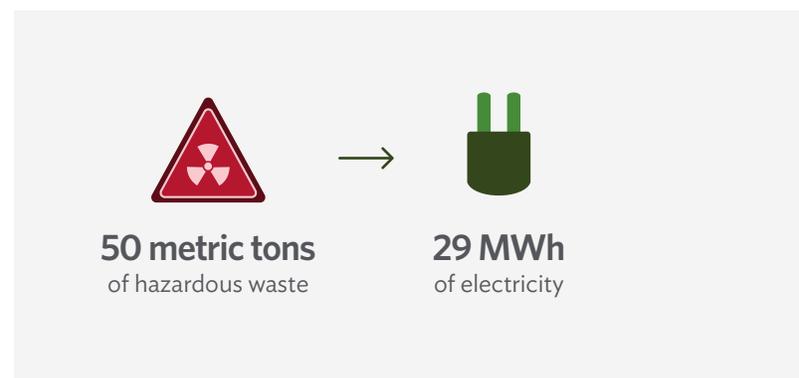
steam on-site by 80 percent at peak demand. This project is planned for implementation in 2018.

Throughout 2017, the Cork facilities team continued to leverage data from a real-time energy monitoring system to identify operational efficiencies and cost-saving opportunities that would otherwise go unnoticed relying only on monthly statements.

The Cork site continued to purchase 100 percent wind-generated electricity to power its operations. The facility also continuously monitors water consumption within all areas through “live” metering. Using baseline data developed throughout 2016–2017, excess water usage is investigated, which has reduced total water use by 1.4 percent.

With the addition of a second primary packaging line and expansion of the QC lab in 2017, efforts were made to validate monthly energy consumption data and minimize increases where possible. To offset increased electrical load, Gilead installed heat recovery systems on exhaust streams to recover and reuse useful heat, which reduced total energy consumption by 7.4 percent compared with 2016.

In 2017, GSIUC received a “Distinction Award” from the National Irish Safety Organization for consistently maintaining high levels of occupational safety and health and safety management.



*Starting waste is converted into energy*

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

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Executive Vice President

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John McHutchison, M.D.  
Chief Scientific Officer,  
Head of Research and Development

Brett A. Pletcher  
Executive Vice President, General Counsel  
and Chief Compliance Officer

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Executive Vice President,  
Oncology Therapeutics

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Executive Vice President, Strategy

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Executive Vice President

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Executive Vice President,  
Human Resources

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Executive Vice President, Pharmaceutical  
Development and Manufacturing

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Medical Center, Professor of Medicine,  
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Stanford University School of Medicine

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Stanford University School of Medicine

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Pittsburgh School of Medicine

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tious Diseases, Vice Chair of Department  
of Medicine, Senior Director of Interna-  
tional Initiatives, University of California,  
San Diego

### CORPORATE SECRETARY

Brett A. Pletcher  
General Counsel/Corporate Secretary

### INDEPENDENT REGISTERED PUBLIC ACCOUNTANTS

Ernst & Young LLP  
Redwood City, California

### CORPORATE HEADQUARTERS

Gilead Sciences, Inc.  
333 Lakeside Drive  
Foster City, CA 94404 USA  
(800) 445-3235 or (650) 574-3000  
[www.gilead.com](http://www.gilead.com)

### STOCKHOLDER INQUIRIES

Inquiries from our stockholders and  
potential investors regarding our  
company are always welcome and will  
receive a prompt response. Please  
direct your requests for information to  
Investor Relations.

### INVESTOR RELATIONS

Gilead Sciences, Inc.  
333 Lakeside Drive  
Foster City, CA 94404 USA  
(800) 445-3235 or (650) 574-3000

Information regarding Gilead also is  
available at [www.gilead.com](http://www.gilead.com)

### STOCK LISTING

Gilead common stock is traded on the  
Nasdaq Global Select Stock Market,  
under the symbol GILD.

### ANNUAL MEETING

The annual meeting of stockholders  
will be held at 10:00 a.m. on  
Wednesday, May 9, 2018, at the Westin  
San Francisco Airport Hotel.

### TRANSFER AGENT AND REGISTRAR

Communications concerning stock  
transfer requirements, lost certificates  
and changes of address should be  
directed to the Transfer Agent:

Computershare  
P.O. BOX 30170  
College Station, TX 77842-3170  
(800) 710-0940  
[www.computershare.com/investor](http://www.computershare.com/investor)

### EQUAL OPPORTUNITY EMPLOYER

Gilead Sciences is proud to be an equal  
opportunity employer and extends  
employment to men and women from  
culturally diverse backgrounds. Our  
environment respects individual differ-  
ences and recognizes each employee  
as an integral member of our company.  
Our workforce reflects these values and  
celebrates the individuals who make up  
our growing team.

## GRI FRAMEWORK

Gilead’s 2017 Year in Review is organized in accordance with the “core” reporting framework defined by the latest GRI Standards. This report covers all topics listed in the GRI Content Index for all entities listed in the company’s 2017 Form 10-K on the [Shareholder Center](#) page of our website.

### Report Content, Period and Boundary

Following GRI’s principles for defining report content, Gilead considered stakeholder inclusiveness, sustainability context, materiality, completeness and other principles to define the report content.

The performance period for this report is Jan. 1, 2017, to Dec. 31, 2017, and the reporting boundary includes all of Gilead’s global operations, minus some indicators that have alternate reporting periods or boundaries.

### Stakeholder Engagement and Materiality

Key stakeholders within Gilead contribute to the Year in Review based on their oversight of the company’s economic, environmental and social impacts.

The material topics included in this report were identified and assessed using a stakeholder engagement process, peer evaluations and internal due diligence. For 2017, business leaders across the company selected material topics based on the extent to which Gilead has internal or external influence over the topic area, as well as the company’s relative impact on each topic area.

#### Internal Stakeholders

In 2017, internal stakeholders 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 were engaged to discuss sustainability-related topics.

#### Material Topics

The following material topics were identified and discussed by internal stakeholders in 2017.

## 2017 Material Issues

### About Gilead Sciences

<b>Corruption and bribery</b>	Compliance with state, federal and international laws pertaining to healthcare fraud and abuse.
<b>Drug safety and anti-counterfeiting</b>	Recalls and adverse events; providing relevant information; efforts against counterfeiting.

### Our Mission

<b>Access and pricing</b>	Providing access to products around the world, including efforts to ensure fair pricing.
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### Community Impact

<b>Giving</b>	Charitable efforts aimed at reducing disparities, providing access, advancing medical education and supporting local communities.
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### Workplace

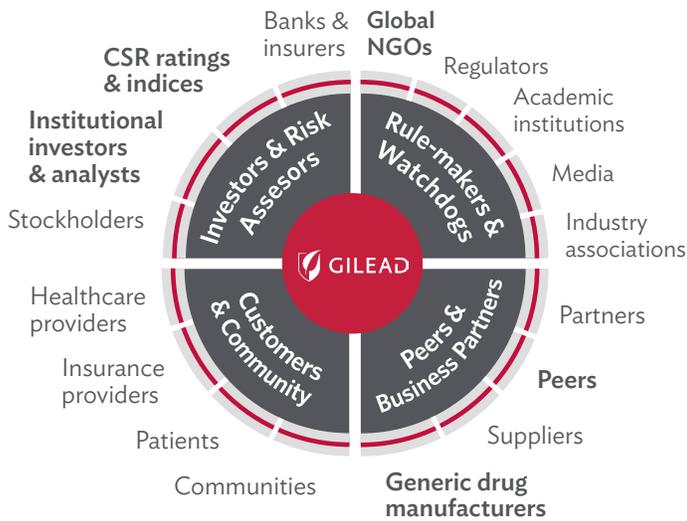
<b>Employee health and safety</b>	Efforts to eliminate all serious accidents and manage occupational health and safety risks to ensure employees do not come to any harm while at work.
<b>Employee wellness, development and engagement</b>	Efforts to promote employee wellness, development and engagement; employee benefits and well-being; recruiting and retention.
<b>Inclusion and diversity</b>	Efforts to promote inclusion and diversity.

### Practices and Environment

<b>Climate change and energy</b>	Reducing greenhouse gas emissions associated with company operations and products by using energy efficiently.
<b>Ethical supply chain</b>	Ethical sourcing; ensuring suppliers uphold appropriate standards on corporate responsibility issues.
<b>Green chemistry</b>	Design of chemical products and processes that reduce or eliminate the generation of hazardous substances.
<b>Manufacturing and supply chain management</b>	Managing quality, production capacity and inventory in manufacturing and supply chain.
<b>Responsible marketing</b>	Efforts to ensure that marketing is conducted ethically and complies with local laws and regulations.
<b>Waste</b>	Hazardous and non-hazardous waste and recycling.
<b>Water</b>	Efforts to manage or reduce water use from our operations.

## External Stakeholders

Gilead's external stakeholders included 17 stakeholder groups across the following four categories.



Materiality interviews were conducted with institutional investors and analysts, generic drug manufacturers, and worldwide nongovernmental organizations (NGOs). To further understand stakeholder priorities, these interviews were supplemented with selective research across CSR ratings and indices and peer companies. Each year, additional stakeholders are considered to provide new input, perspectives and data sources.

## Management Approach

Gilead uses a company-wide management approach to continuously monitor internal and external material impacts. The purpose of this management approach is to reduce the potential or actual negative impacts associated with company operations. Business leaders with direct oversight over each topic area are responsible for managing impacts. Internal and external stakeholders evaluate the effectiveness of Gilead's management approach each year to identify strengths and areas for improvement.

Refer to the GRI Content Index for more information on material topic areas and reporting boundaries. Each year, the reporting boundaries for material topics are re-evaluated to ensure that the most current and complete boundaries are used.

For questions or feedback about the information contained in the 2017 Year in Review, please email [csr@gilead.com](mailto:csr@gilead.com).

## GRI CONTENT INDEX

Disclosure #	Description	Reference	Page #	Reporting Boundary
<b>GRI 102: General Disclosures</b>				
102-1	Name of the organization	About Gilead Sciences, Company Overview section	p.5	Worldwide
102-2	Activities, brands, products and services	About Gilead Sciences, Existing Product Portfolio section	p.6	
102-3	Location of headquarters	About Gilead Sciences, Gilead Worldwide Operations section	p.9	
102-4	Location of operations			
102-5	Ownership and legal form	Gilead Sciences, Inc. is a publicly traded Delaware corporation		
102-6	Markets served	Africa, Asia, Australia, Europe, Middle East, North America and South America		
102-7	Scale of the organization	About Gilead Sciences, 2017 Financial Highlights section	p.7	
		About Gilead Sciences, Gilead Worldwide Operations section	p.9	
102-8	Information on employees and other workers	About Gilead Sciences, Gilead Worldwide Operations section	p.9	
		Workplace, 2017 Workforce Demographics	p.36	
102-9	Supply chain	Practices and Environment, Procurement and Supply Chain section	p.42	
102-10	Significant changes to the organization and its supply chain	About Gilead Sciences, Company Overview section	p.5	
102-11	Precautionary Principle or approach	GRI Framework, Management Approach section	p.60	
102-12	External initiatives	About Gilead Sciences, Memberships and Affiliations section	p.11	
102-13	Memberships or associations			
102-14	Statement from senior decision-maker	A Message from Our CEO	p.2	
102-16	Values, principles, standards and norms	About Gilead Sciences, Governance section	p.9	
102-40	List of stakeholder groups	GRI Framework, Stakeholder, Engagement and Materiality section	p.59	
102-41	Collective bargaining agreements	All Gilead employees in Austria, Belgium, Brazil and Spain (3 percent of worldwide workforce) were subject to collective bargaining agreements in 2017.		

# GRI CONTENT INDEX

Disclosure #	Description	Reference	Page #	Reporting Boundary
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## GRI 102: General Disclosures

102-42	Identifying and selecting stakeholders	GRI Framework, Stakeholder Engagement and Materiality section	p.59	Worldwide
102-43	Approach to stakeholder engagement			
102-44	Key topics and concerns raised			
102-45	Entites included in the consolidated financial statements	About Gilead Sciences, About this Report section	p.11	
102-46	Defining report content and topic boundaries	GRI Framework, Report Content, Period and Boundary section	p.59	
102-47	List of material topics	GRI Framework, Stakeholder Engagement and Materiality section		
102-48	Restatements of information	Gilead's 2017 Year in Review contains the following restatements of incorrect information reported in the 2016 Year in Review:		
		The total new employee hires reported on p.21 of the 2016 Year in Review has been corrected in the 2017 Year in Review.	p.36	
		Total values for energy, water and waste reported for Foster City on p.34 of the 2016 Year in Review have been corrected in the 2017 Year in Review.	p.51-52	
102-49	Changes in reporting	There are no significant changes from previous reporting periods in the list of material topics and topic boundaries.		
102-50	Reporting period	GRI Framework, Report Content, Period and Boundary section	p.59	
102-51	Date of most recent report	May 2017		
102-52	Reporting cycle	Annual		
102-53	Contact point for questions regarding the report	Korab Zuka, Senior Director, Public Affairs. csr@gilead.com		
102-54	Claims of reporting in accordance with the GRI Standards	GRI Framework	p.59	
102-55	GRI content index	GRI Content Index	p.61	
102-56	External assurance	Practices and Environment, Worldwide Greenhouse Gas Inventory section	p.49	

# GRI CONTENT INDEX

Disclosure #	Description	Reference	Page #	Reporting Boundary
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## GRI 103: Management Approach

103-1	Explanation of the material topic and its boundary	GRI Framework	p.59	Worldwide
103-2	The management approach and its components			
103-3	Evaluation of the management approach			

## GRI 201: Economic Performance

201-1	Direct economic value generated and distributed	About Gilead Sciences, 2017 Financial Highlights section	p.7	Worldwide
201-3	Defined benefit plan obligations and other retirement plans	Workplace, Retirement Savings section	p.33	

## GRI 205: Anti-Corruption

205-1	Operations assessed for risks related to corruption	About Gilead Sciences, Governance section	p.9	Worldwide
205-2	Communication and training about anti-corruption policies and procedures			
205-3	Confirmed incidents of corruption and actions taken			

## GRI 302: Energy

302-1	Energy consumption within the organization	Practices and Environment, Foster City section	p.51	Foster City
302-2	Energy consumption outside of the organization	Gilead does not currently track energy consumption outside of the organization, but may do so in the future.		
302-3	Energy intensity	Practices and Environment, Foster City section	p.51	
302-4	Reduction of energy consumption	Practices and Environment, Foster City section	p.51	
302-5	Reductions in energy requirements of products and services	Gilead does not currently track reductions in energy requirements associated with manufacturing its products, but may do so in the future.		Worldwide

## GRI 303: Water

303-1	Water withdrawal by source	Practices and Environment, Foster City section	p.51	Foster City
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# GRI CONTENT INDEX

Disclosure #	Description	Disclosure	Page #	Reporting Boundary
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## GRI 304: Biodiversity

304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas.	Practices and Environment, Foster City section	p.50	Foster City
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## GRI 305: Emissions

305-1	Direct (Scope 1) GHG emissions	Practices and Environment, Worldwide Greenhouse Gas Inventory section	p.49	Worldwide
305-2	Indirect (Scope 2) GHG emissions			
305-3	Other indirect (Scope 3) GHG emissions	Gilead is currently evaluating Scope 3 GHG emissions sources		
305-4	GHG emissions intensity	Gilead is currently evaluating organization-specific metric(s) to normalize GHG emissions.		
305-5	Reduction of GHG emissions	2016 is Gilead's baseline year for greenhouse gas emissions. Future comparisons will be made using this baseline year.		
305-6	Emissions of ozone-depleting substances (ODS)	Gilead does not currently track ozone-depleting substances, but may do so in the future.		

## GRI 306: Effluents and Waste

306-2	Waste by type and disposal method	Practices and Environment, Foster City section	p.52	Foster City
306-4	Transport of hazardous waste			

## GRI 308: Supplier Environmental Assessment

308-1	New suppliers that were screened using environmental criteria	Practices and Environment, Responsible Sourcing	p.42	Worldwide
308-2	Negative environmental impacts in the supply chain and actions taken			

## GRI 401: Employment

401-1	New employee hires and employee turnover	Workplace, Worldwide New Hires and Voluntary Turnovers section	p.36	Worldwide
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Workplace, Retention, Rewards and Recognition section	p.33	
401-3	Parental leave	Workplace, Parental Leave and Support section	p.35	

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<b>GRI 403: Occupational Health and Safety</b>				
403-1	Workers representation in formal joint management-worker health and safety committees	Workplace, Work Safety Training and Security section	p.40	Worldwide
403-2	Types of injury and rates of injury, occupational diseases, lost days, absenteeism and number of work-related fatalities			
<b>GRI 404: Training and Education</b>				
404-1	Average hours of training per year per employee	Workplace, Professional and Personal Development	p.34	Worldwide
404-3	Percentage of employees receiving regular performance and career development reviews	Workplace, Compensation section	p.34	
<b>GRI 405: Diversity and Equal Opportunity</b>				
405-1	Diversity of governance bodies and employees	Workplace, United States Gender and Race/Ethnicity Distribution	p.36	U.S. Only
405-2	Ratio of basic salary and remuneration of women and men	Workplace, Compensation section	p.34	Worldwide
<b>GRI 413: Local Communities</b>				
413-1	Operations with local community engagement, impact assessments and development programs	Community Impact, Gilead Making a Difference section	p.22	Worldwide
<b>GRI 414: Supplier Social Assessment</b>				
414-1	New suppliers that were screened using social criteria	Practices and Environment, Responsible Sourcing	p.42	Worldwide
414-2	Negative social impacts in the supply chain and actions taken			
<b>GRI 416: Customer Health and Safety</b>				
416-1	Assessment of the health and safety impacts of product and service categories	Practices and Environment, Product Safety, Labeling, Marketing and Data Security and Anti-Counterfeiting section	p.46	Worldwide

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**GRI 417: Marketing and Labeling**

417-1	Requirements for product and service information and labeling information and labeling	Practices and Environment, Product Safety, Labeling, Marketing, Data Security and Anti-Counterfeiting section	p.46	Worldwide
417-2	Incidents of non-compliance concerning product and service			
417-3	Incidents of non-compliance concerning marketing communications			

**GRI 418: Customer Privacy**

418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Practices and Environment, Product Safety, Labeling, Marketing and Data Security and Anti-Counterfeiting section	p.46	Worldwide
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