

Gender pay

at Gilead 2019

April 2019

Our commitment to inclusion remains at Gilead's core

Gilead transforms lives and provides life-saving treatments to millions of people around the world. This duty of care extends to our most important investment – our people.

At Gilead, inclusion is a core value and we strive to create a work environment where differences are valued, and people feel involved, respected and connected. We believe that teams composed of employees with different experiences and backgrounds are best prepared to increase diversity of thought, drive innovation and carry out our company mission. It is therefore crucial to attract, develop and advance talented individuals who represent diversity across a wide spectrum of ages, genders, ethnicities, thinking styles, religions, nationalities, sexual orientations, sexual identities and educational backgrounds.

Attached is our second annual gender pay report which summarises our latest analysis of gender pay across our three companies in the UK and our near to long-term commitments to narrow the gap. As highlighted in the report, our gender pay gap remains similar to the previous year and is primarily due to a higher proportion of men compared with women in senior-level positions and a higher proportion of women compared with men in junior-level positions.

Gilead is an equal pay company. This means we pay employees based on legitimate factors, such as their skills, qualifications, experience and performance, and have frameworks and processes in place to ensure we pay all of our employees fairly. However, we also recognise that we have work to do to increase our representation of women at the most senior levels. As such, in addition to our existing inclusion and diversity programmes such as Women in Leadership, Employee Resource Groups, performance management and inclusion and diversity training, we have established new initiatives including a CEO-led diversity council, flexible work arrangements, inclusion and diversity-focused talent reviews and diverse candidate pools.

While we recognise that it will take time, we are truly committed to addressing the gap and building a diverse and inclusive workplace. This is imperative to fulfil our mission to our patients and essential in maximising the potential of every employee at Gilead.



Rudolf Ertl
Senior Vice President
Commercial Operations EMEA



Suraj Satpathy
Vice President
Human Resources EMEA

How is the gender pay gap different to equal pay?



A gender pay gap is the difference in average pay between ALL men and women, regardless of their job (taking into account all their pay and bonuses).



Equal pay is about men and women performing the same (or similar) work and receiving the same pay.

Gilead gender pay results *(figures in italics refer to 2017)*

UK – summary of our overall results

(covering our three legal entities in the UK)



HOURLY PAY

Part-time workers' pay is treated as though they work full time

Mean difference **26.80%** *25.9%*

Median difference **24.2%** *22.8%*

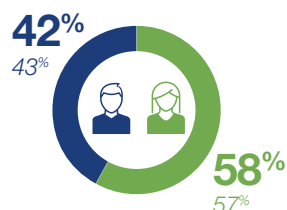
BONUS PAY

Part-time workers' bonuses are pro-rated – takes into account actual bonuses paid

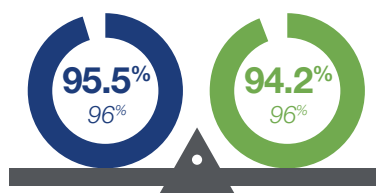
Mean difference **63.0%** *51.4%*

Median difference **52.4%** *63.7%*

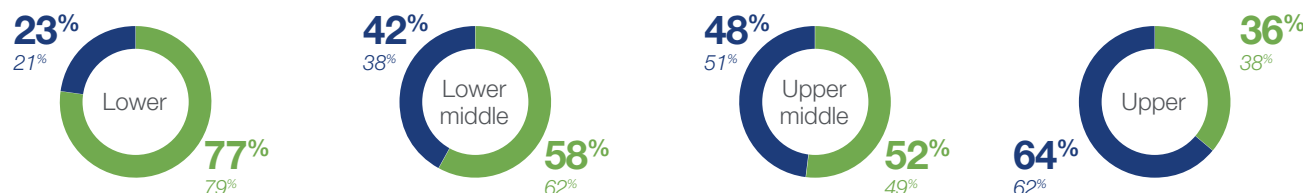
EMPLOYEE POPULATION BY GENDER



PROPORTION OF MEN AND WOMEN RECEIVING A BONUS



PROPORTION OF MEN AND WOMEN IN EACH PAY QUARTILE



Gilead Sciences Europe, Ltd.

Gilead Sciences Europe, Ltd. is our legal entity where we are required to report our gender pay gap results (in line with the Government legislation to report on any company with over 250 UK staff).

HOURLY PAY

Mean difference **35.2%** *31.6%*

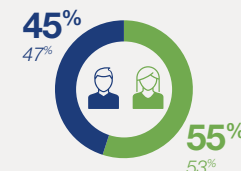
Median difference **34.1%** *32.4%*

BONUS PAY

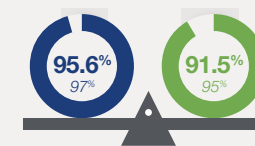
Mean difference **73.6%** *62.2%*

Median difference **69.3%** *75.7%*

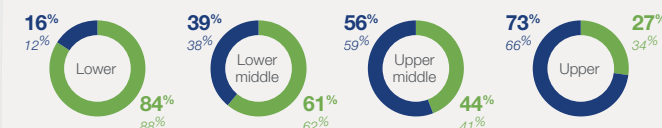
EMPLOYEE POPULATION BY GENDER



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Behind the numbers

While the overall number of female employees remains higher than male employees at Gilead, we continue to strive to increase our representation of women at the senior levels. There is more work to be done to achieve a more balanced representation of women and men across all job levels.

The following demographic factors drove the pay gap for 2017 and 2018:

- We have more women at lower levels and more men in our senior-level roles, which command higher pay than roles at lower levels.
- The 2018 data snapshot was taken during an acquisition-related transition period when there was a

temporary increase in the proportion of men in senior-level roles, contributing to a slightly higher pay gap for our European headquarters.

- The gap has slightly improved for our other two UK entities due to more women moving into senior-level roles in those companies.

Our commitment to address the gap

Inclusion is a commitment at all levels of the company, from our Board of Directors and CEO to all people managers. We actively monitor our initiatives and processes to ensure that inclusion is reflected in everything we do. To this end, we have several ongoing and new initiatives in place that will continue to enhance diversity and help us create a work environment that fosters inclusion, cultivates a sense of belonging and ultimately helps to provide equal career opportunities for men and women across all levels of the organisation.



Recruitment & selection

Recruitment – We continue to focus on hiring the most qualified candidates while expanding the diversity of our candidate pool. Although gender is not a hiring criterion, we hold managers accountable to ensure we cast a wide net for qualified candidates, requiring diverse candidates for all open positions and measuring progress regularly. We are using new technologies to review job descriptions in support of gender-neutral terms and creating diverse interview panels to mitigate bias in the recruiting process.



Training

Unconscious bias training – We continue to expand our unconscious bias training programme to help build self-awareness of individual biases and identify actions to minimize blind spots.

Diversity of thought – Last year's pilot programme is being expanded across the region to build individual and team skills and prioritise commitments on inclusion goals.



Managing & Rewarding Performance

Inclusion is recognised and rewarded – Demonstrating our core values is an essential component of our annual performance management process and is rewarded through our recognition schemes.

Governance – Our reward frameworks and systems are regularly tested and reviewed to mitigate the risk of unfairness or bias. We pay based on performance, regardless of gender or other personal characteristics.



Women & leadership

We are investing in several initiatives that aim to drive the retention and progression of female top talent at the Senior Director & Executive Director levels and, more broadly, across the organisation. Sponsorship, coaching and tailored mentoring programs for key diverse talent have been added to support development and progression.

More importantly, we have enhanced our cross-functional talent reviews to identify top female talent for key projects, with an aim to provide increased visibility, rotational assignments, lateral moves and roles of increasing responsibility.



Employee experience

Employee Resource Groups (ERGs) provide support and community – ERGs with a focus on diversity are available to all employees, such as Women at Gilead and our LGBTQ+ Alliance, amongst others. These groups aim to provide a sense of support and community to diverse groups across our organisation. They also make direct business impact by providing talent development, input to senior leaders on business strategy, as well as support for hiring and retention of diverse talent. We have expanded membership in our existing ERGs and launched a new ERG for people of colour.

ERGs receive support at the highest level: Rudolf Ertl (SVP Commercial Operations, EMEA) and Suraj Satpathy (VP Human Resources, EMEA) support key Women at Gilead ERG initiatives as Executive Sponsors.

Flexible Working

To help attract and retain diverse talent, we have introduced G.Flex, a flexible working arrangements programme that allows employees to tailor where and when they work to address business needs while supporting their diverse individual needs.

Our in-house Inclusion & Diversity expert and expanding investment in the UK

The Global Head of Inclusion & Diversity meets quarterly with the CEO, leadership team and regional leaders to set annual diversity goals, measure progress, plan actions and prioritise inclusion and diversity initiatives including increasing the number of women in senior roles. We are also increasing our commitment by expanding the Inclusion & Diversity team in the UK.