

## **Gilead Statement of Disclosure and Compliance with Section 54 of the Modern Slavery Act (UK) and the California Transparency in Supply Chains Act**

### **Introduction**

Gilead Sciences Limited, Gilead Sciences International Limited and Gilead Sciences Europe Limited (collectively, "Gilead UK") and Gilead Sciences, Inc. and Kite Pharma, Inc. (collectively, "Gilead US"; together with Gilead UK, "Gilead") are committed to maintaining the highest standards of legal and ethical conduct. Gilead recognises the seriousness and importance of combatting modern slavery and human trafficking, and is committed to fully understanding and taking all appropriate action to address any slavery and human trafficking risks in our own business and in our supply chains.

### **Our business**

Gilead's principal business activity is the development, manufacture, sale and distribution of pharmaceutical products for human healthcare. Gilead sells pharmaceutical products manufactured by group companies to hospitals, retail pharmacies and other healthcare providers in the UK, US and worldwide. Gilead also provides technical and support services to group companies in connection with our pharmaceutical products. Gilead's global headquarters are located in Foster City, California. Gilead UK is based in the UK and carries on business in the UK. Gilead US is based in the US and carries on business in the US and worldwide.

### **Verification**

Integrity is one of Gilead's [Core Values](#). This includes demonstrating ethical and moral conduct, as well as adhering to laws, regulations and company policies. The value of integrity is interwoven throughout Gilead's [Code of Ethics](#), which all of our personnel (our officers, directors, employees, temporary staff and contractors, hereafter collectively "Personnel") are required to comply with. Gilead expects and requires all our third parties to act in a way which is consistent with the principles in our Code of Ethics.

Gilead does not condone the use of slavery or human trafficking, nor does it tolerate such practices in our supply chain and endeavours to select suppliers who share these standards. Gilead also maintains a Code for suppliers ("Supplier Code of Conduct"), which stipulates that suppliers must comply with applicable laws, regulations and Gilead standards, including those prohibiting the use of slavery and human trafficking.

Our product ingredients are sourced largely from countries that the US Department of State has designated as being compliant with the Trafficking Victims Protection Act ("TVPA") minimum standards. Gilead takes extra precautions before sourcing product from countries that are still making efforts to bring themselves into full compliance with the TVPA. Gilead verifies manufacturing and packaging suppliers' compliance with applicable good manufacturing practice regulations through regular audits and site inspections carried out by independent third parties as well as by Gilead Personnel.

### **Supplier Audits**

Gilead monitors its suppliers as part of our supplier relationship management programmes. This may involve routine in-person meetings between Gilead management and our suppliers where appropriate.

Gilead uses its own Personnel and also in certain circumstances, independent third parties, to carry out regular and ad-hoc audits and site inspections of our manufacturing and packaging suppliers to ensure

compliance with quality agreements. These suppliers may also be subject to ad-hoc audits and inspection by government authorities.

Whilst slavery and human trafficking are not specific targets of these audits, Gilead Personnel would be required to escalate any such observations or suspicions immediately.

In 2019, Gilead appointed an independent third party to conduct an initial review of slavery, human trafficking and other ethical risks in Gilead business and supply chains and Gilead's management of those risks. Gilead is now in the process of carrying out a risk rating of its existing supplier base and to advise on the level of supplier due diligence and any other proactive monitoring that should be undertaken for each risk level.

Gilead is also piloting a new supplier risk assessment programme with its existing supply base. The programme aids Gilead in addressing social and ethical (including health and safety; human trafficking; modern slavery including forced, bonded, involuntary prison and child labour; discrimination and unfair treatment; and business integrity), environmental, operational and other risks in its supply chain.

### **Supplier Certification**

All contractual arrangements between Gilead and our suppliers stipulate compliance with applicable law and regulations, which include those concerning slavery and human trafficking in the countries where the supplier operates.

In addition, Gilead expects our suppliers to read, understand and apply the principles of the Supplier Code in respect of its application to the performance of their supplier responsibilities. Non-compliance to the Supplier Code is a factor in considering eligibility as a Gilead supplier.

Gilead encourages suppliers to use management systems to facilitate continual improvement and compliance with the expectations of the Supplier Code, and to identify, assess and manage risks in all areas.

### **Internal Accountability**

Gilead Personnel are required to report potential violations of laws, regulations, company policies (including the Gilead Code of Ethics) and any other serious wrongdoing within Gilead. To facilitate disclosures and help protect anonymity, Personnel can report any concerns through Gilead's Ethics Hotline.

Gilead investigates all allegations of misconduct and circumstances that implicate potential violations of laws, regulations or company policies.

Violations are not tolerated and can lead to disciplinary action, including termination of employment (where applicable). Similarly, where Gilead believes that any of our third parties have not met our expectations or contractual obligations, this may result in termination of agreements.

### **Training**

As part of responsible sourcing management programmes, Gilead provides targeted on-line and in-person training to key Personnel involved in the management of suppliers which specifically address slavery and human trafficking. Gilead intends to provide training on these legal risks at a broader level to other business functions within the organisation.

**UK supply chain controls**

Gilead UK requires all key suppliers to agree to comply with the Modern Slavery Act 2015 (the "Act") and Gilead's Supplier Code. Gilead UK also requires all new suppliers to warrant that they are not aware of any conduct or circumstances within any part of their business or supply chain anywhere in the world that may constitute slavery and human trafficking, as defined in section 54(12) of the Act. In its higher risk contracts, Gilead UK has the right to audit its suppliers to ensure they comply with the Act.

**California Transparency in Supply Chains Act**

This statement is made pursuant to the California Transparency in Supply Chains Act of 2010 (SB 657) in respect of Gilead US.

**UK Modern Slavery Act**

This statement is made pursuant to section 54(1) of the Act in respect of Gilead UK and constitutes the slavery and human trafficking statement for the financial year ending 31 December 2019 for Gilead UK. It has been approved by the board of directors of each Gilead UK company, and signed by a director of each company.

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*Brett Pletcher*  
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Date: .....2020

**Brett Pletcher**, General Counsel  
Director:  
Gilead Sciences Limited  
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