

## **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 Ltd., Gilead Sciences International Ltd. and Gilead Sciences Europe Ltd. (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 is committed to creating a healthier world for all people, and has a mission to discover, develop and deliver innovative therapeutics for people with life-threatening diseases through bold and transformative sciences. Gilead's principal business activity is the development, manufacture, sale and distribution of pharmaceutical products for human healthcare.

Gilead operates in a highly regulated environment. It uses a combination of Gilead owned facilities and strategic third-party partners to manufacture and distribute Gilead products worldwide. Gilead sells pharmaceutical products 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 out business in the UK. Gilead US is based in the US and carries out business in the US and worldwide.

Gilead operates and manages its subsidiaries through global policies, systems and processes that are designed to ensure consistency across the group, including third party contract governance, audit processes and oversight. In September 2022, Gilead acquired MiroBio Ltd. (a UK company, but not a reporting entity for the purposes of this statement) and is in the process of integrating MiroBio Ltd. into Gilead's operational practices. Gilead will continue to work to ensure that MiroBio Ltd. complies with the same standards as Gilead UK in order to mitigate the risks of modern slavery within MiroBio Ltd.

Further information on Gilead's business can be found in [Gilead's 2022 Environmental, Social, Governance Impact Report](#).

### **Gilead's Employees**

Gilead believes that the risk of modern slavery in our directly employed workforce is relatively low. This is due in part to the highly regulated nature of the pharmaceutical industry, and also to our employees being largely educated or skilled, and/or undertaking work in controlled environments such as Gilead offices and laboratories. Nevertheless, we recognise that there is a risk that needs to be addressed. One way we have addressed this risk is by reorganising the way we carry out the recruitment of our directly employed workforce. We have consolidated our recruitment supply base so that we now work closely with only a few strategic partners on a global basis, rather than with a large number of third-party recruitment agencies.

## **Code of Ethics**

Gilead's Core Values are integrity, teamwork, accountability, inclusion and excellence, embedding respect for human rights and labour rights across the business. This includes demonstrating ethical and moral conduct, as well as adhering to laws, regulations, and company policies. The Core Values, in particular the values of integrity and accountability, are interwoven throughout Gilead's Code of Ethics, which all our personnel (our officers, directors, employees, temporary staff and contractors, hereafter collectively "**Personnel**") are required to comply with. Gilead also expects and requires all third parties performing services for us, or with whom we partner or collaborate, to act in a way which is consistent with the principles in our Code of Ethics. The Code of Ethics has been updated and now has a greater focus on human rights and sustainability.

## **Reporting, Investigating Concerns and 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).

## **Supplier Code of Conduct**

Gilead recognises that exposure to the risk of modern slavery increases when we engage with third parties, particularly in such areas of our business as catering, cleaning, transportation, protective equipment and clothing, warehousing, construction, manufacturing, packaging and promotional goods suppliers.

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 minimise the impact from our procurement and supply chain practices.

Just as Gilead does not condone the use of slavery or human trafficking in our own operations, we do not tolerate such practices within our supply chain, and we endeavour to select suppliers who share these standards. [Gilead maintains a Code of Conduct for suppliers](#) ("**Supplier Code of Conduct**"), reflecting the importance to Gilead of ethical business practices and principles of behaviour. The Supplier Code of Conduct stipulates that suppliers must comply with applicable laws, regulations and Gilead standards, and prohibits the use of forced labour or human trafficking within the supply chain. Gilead continues to evolve the Supplier Code of Conduct with a view to further strengthening the Code's commitment to human rights. In 2022, Gilead initiated an enterprise-wide reassessment of how to ensure broader adoption of our Supplier Code of Conduct and implemented additional procedures such as conducting gap assessments and prioritising further engagement with suppliers that have not yet signed.

## **Supplier Certification**

Gilead expects its suppliers to apply the principles of the Supplier Code of Conduct during the performance of each supplier's responsibilities. As Gilead's business expands into new markets and supply chains, Gilead has translated the Supplier Code of Conduct into ten languages. The Supplier Code of Conduct can

therefore be shared with prospective suppliers globally and used as part of the supplier selection process. Refusal by a supplier to commit to the Supplier Code of Conduct's principles is an important factor in deciding whether to do business with a supplier. During 2022, Gilead achieved an increase of approximately 33% in the number of suppliers worldwide who have signed the Supplier Code of Conduct, or confirmed they operate under a functionally equivalent counterpart at least as robust as Gilead's own Supplier Code of Conduct.

During 2023, Gilead intends to automate a requirement for all new suppliers to read and acknowledge Gilead's Supplier Code of Conduct during the supplier onboarding process.

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. Gilead is entitled to terminate supplier contracts where suppliers have not met their contractual obligations in this regard. Gilead encourages suppliers to use management systems to facilitate continual improvement and compliance with the expectations of the Supplier Code of Conduct, and to identify, assess and manage risks in all areas.

### **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 conducting these audits are expected to escalate any such observations or suspicions immediately. In 2022, there were no issues raised that were associated with forced labor in the nine facilities audited under this programme.

Gilead's supplier assessment programme aids Gilead in addressing social and ethical risks (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 within its supply chain.

Gilead must be satisfied that suppliers protect workers as evidenced through health and safety performance and by other means, including verification of the management framework for accident or injury, investigation and checks on incident records during onsite assessments of suppliers, and satisfying ourselves that worker protection is under the direction of clearly identified and accountable individuals possessing the appropriate technical and managerial skills, training and knowledge.

In 2022, Gilead set up a cross-functional committee to consider third-party risk within our supply chains, including human rights and other ESG issues. Gilead has bolstered this programme with the addition of personnel specifically tasked to focus on sustainability and supplier risk management.

## **Verification**

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.

## **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 addresses slavery and human trafficking. Gilead intends to provide training on these legal risks at a broader level to other business functions within the organisation once we have completed our current enterprise-wide reassessment of third-party risk management.

## **UK Supply Chain Controls**

Gilead UK requires all key suppliers to agree to comply with the Modern Slavery Act 2015 ("**Act**") and the Supplier Code of Conduct. Furthermore, Gilead UK's standard supply of services contract requires all 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 suppliers to ensure they comply with the Act.

## **Industry Collaboration**

Gilead invests in cross-industry collaboration as part of our ongoing efforts to address a wide range of global challenges that affect communities worldwide. Gilead has chosen to join other like-minded companies in support of the United Nations Global Compact (UNGC) – a voluntary initiative that is designed to align industries in the name of human rights, labour standards, environmental protection and anti-corruption practices. Gilead is integrating the UNGC principles into our strategy, culture and day-to-day operations.

Additionally, Gilead is committed to responsible supply chain practices. Gilead joined the Pharmaceutical Supply Chain Initiative ("**PSCI**") in 2018. The PSCI has developed standards on six issues common in supply chains: (1) Freely Chosen Employment, (2) Child Labor and Young Workers, (3) Non-Discrimination, (4) Fair Treatment, (5) Wages, Benefits, and Working Hours, and (6) Freedom of Association. These standards set our expectations on these issues. As a member of PSCI, Gilead promotes responsible practices that will continuously improve social, health, safety and environmentally sustainable outcomes. Gilead actively participates in PSCI committees, driving positive change within Gilead, and across the pharmaceutical industry through collaborative efforts with peer member companies. Gilead's involvement with PSCI continues to shape our implementation of best practices.


## **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 2022 for Gilead UK and sets out the steps taken to address modern slavery risks in our business and supply chains.

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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Date: .....

Hans York-Julian Stücker, Vice President International Legal

Director:

Gilead Sciences Ltd.

Gilead Sciences International Ltd.

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