

Stockholder Proposals

PROPOSAL 5

Stockholder Proposal Requesting that the Board Include One Member from Gilead's Non-Management Employees

Jing Zhao has submitted a stockholder proposal for consideration at the Annual Meeting. We will furnish the address for the proponent upon receipt of a request to the Corporate Secretary for such information. We have been notified that Mr. Zhao has continuously held 60 shares of our common stock since at least March 6, 2019.

Our Board unanimously recommends a vote "AGAINST" the following proposal. The resolution being submitted by Mr. Zhao to the stockholders for approval is as follows:

Stockholder Proposal

Resolved: stockholders recommend that Gilead Sciences, Inc. (the Company) reform the board structure to include one member of board of directors from the Company's non-management employees.

Supporting Statement

There is a new trend pushing for non-management employee representation on boards, such as shareholder proposals to Amazon and other companies to include non-management employees on board. This is a common practice in Europe and the UK.

American corporate board structure needs reform now. For example, America's ballooning executive compensation is neither responsible for the society nor sustainable for the economy. There is no rational methodology to decide the executive compensation, particularly there is no companywide union in the Company; there is no employee representation on boards; and the board is nominated and elected without any competition (the number of candidates is the same number of board seats).

It is time for American executives as citizens to take the social responsibility on their own initiative rather than to be forced by the public. The board has the flexibility to design guidelines to select a candidate for the new board nominee from non-management employees.

Our Board Recommends a Vote AGAINST This Proposal

Our Current Director Nominating and Evaluation Process Allows the Best and Most Qualified Candidates to be Elected to the Board

Our Board believes the current director nominating and evaluation process allows the best and most qualified candidates to be elected to the Board. Changing our board nomination and membership framework as outlined by the proposal is unnecessary and would not be in the best interests of stockholders.

We also note that at our 2022 Annual Meeting, our stockholders rejected a substantially similar proposal, which received support from only 6.7% of the votes cast.

Our Nominating and Corporate Governance Committee is responsible for identifying and evaluating director candidates and recommending nominees for nomination by the full Board. In evaluating candidates for Board membership, our Nominating and Corporate Governance Committee undertakes a rigorous vetting process to ensure that candidates satisfy the membership criteria established by the Board. In particular, our Nominating and Corporate Governance Committee considers whether the candidate possess the following qualifications:

- ▶ the highest standards of personal and professional integrity;
- ▶ the ability and judgment to serve the long-term interest of our stockholders;
- ▶ background, experience and expertise relevant to our business and that will contribute to the overall effectiveness and diversity of the Board;
- ▶ broad business and social perspective;
- ▶ the ability to communicate openly with other directors and to meaningfully and civilly participate in the Board's decision-making process;
- ▶ commitment to serve on the Board for an extended period of time to ensure continuity and to develop knowledge about our business and willingness to devote appropriate time and effort to fulfilling the duties and responsibilities of a Board member;
- ▶ independence from any particular constituency; and
- ▶ the ability and willingness to objectively appraise the performance of management.

Our Nominating and Corporate Governance Committee reviews this Board membership criteria and assesses the composition of the Board against the criteria on an annual basis.

Additionally, in identifying potential director candidates, our Nominating and Corporate Governance Committee considers candidates recommended through a variety of methods and sources, including suggestions from current Board members, senior management, stockholders, professional search firms and other sources. Our Nominating and Corporate Governance Committee reviews all candidates, including any non-management employees, by the same criteria and standards, regardless of the source of the recommendation. The proposal, however, would require us to deviate from the rigor of our existing processes and undermine the role of our Nominating and Corporate Governance Committee and the Board in one of the most critical and strategic elements of corporate governance—the selection of director candidates—by subjecting non-management employees to different criteria and standards than all other director candidates.

An Independent Board is a Core Element of our Governance Philosophy

Having an independent Board is a core element of our governance philosophy. Our Board Guidelines provide that a substantial majority of our directors must be independent. Except for our Chairman and CEO, all of our current directors are independent. Under Nasdaq listing standards, an employee director would not be considered independent, and adding such a director as called for by the proposal would decrease the percentage of directors that are considered independent.

Gilead is Committed to a Culture that Values Employee Engagement

Gilead promotes a culture in which employees provide feedback on their experience and can raise their concerns outside their line management. As a result, employees have numerous ways to be heard and exert influence outside of board representation. In addition, we frequently consult employees about changes to various policies and benefits as part of our ambition of becoming an employer of choice in our industry. Our listening strategy helps to gather employee input and measure our progress. In late 2023, we conducted a global employee survey to gather and assess employee feedback and address areas of employee concern. Results showed that employee engagement is strong and higher since our last all-employee survey in 2021. For example, 84% of employees reported that they have confidence in Gilead's future, and 81% of employees would recommend Gilead as a great place to work.



Our Board unanimously recommends a vote “AGAINST” Proposal 5.