

## About this Statement

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This statement is made pursuant to sections 13-16 of the *Modern Slavery Act 2018* (Cth) (the **Act**) on behalf of Gilead Sciences Pty Limited (ACN 072 611 708) (**GSPL**). References to 'we', 'us' or 'our' are references to GSPL. References to 'Gilead' refer to the Gilead group more broadly.

As a member of the Gilead group, GSPL is committed to maintaining the highest standards of legal and ethical conduct. GSPL 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.

The Act requires businesses to state the actions they have taken during the financial year to ensure modern slavery is not taking place in their operations and supply chains. This is GSPL's first modern slavery statement and relates to the financial year commencing 1 January 2020 and ending 31 December 2020 (**FY20**).

The table below sets out the mandatory reporting requirements in the Act and where each has been addressed within this statement.

Mandatory reporting requirements	
Identify the reporting entity and describe its structure, operations and supply chains.	Part 1
Describe the risks of modern slavery practices in the operations and supply chains of the reporting entity and any entities it owns or controls.	Part 2
Describe the actions taken by the reporting entity and any entity that the reporting entity owns or controls to assess and address those risks, including due diligence and remediation processes.	Parts 2 and 3
Describe how the reporting entity assesses the effectiveness of these actions being taken to assess and address modern slavery risks.	Part 4
Describe the process of consultation with any entities the reporting entity owns or controls.	Part 5

## 1 Our business

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### 1.1 About GSPL

Gilead Sciences, Inc. is a biopharmaceutical company that has pursued and achieved breakthroughs in medicine for more than three decades, with the goal of creating a healthier world for all people. The company is committed to advancing innovative medicines to prevent and treat life-threatening diseases, including HIV, viral hepatitis and cancer. Gilead operates in more than 35 countries worldwide, with headquarters in Foster City, California.

GSPL is an Australian proprietary company that is part of the Gilead group and its ultimate parent company is Gilead Sciences, Inc. GSPL is responsible for medical, sales and marketing activities in Australia of pharmaceutical products manufactured by Gilead group companies. GSPL is based in Australia and carries on business in Australia.

GSPL employs approximately 90 people across Australia, with its head office in Melbourne.

### 1.2 Our operations

GSPL is responsible for medical, sales and marketing activities in Australia of pharmaceutical products manufactured by Gilead group companies. GSPL does not undertake any manufacturing activities.

GSPL's principal operations include:

- product promotion, marketing and sales throughout Australia;
- product warehousing and distribution throughout Australia;
- clinical research operations, clinical studies and medical information services;
- other commercial operations such as market research and analytics, salesforce management, event management and vendor management;
- supporting medical education and social programs aligned to GSPL's commercial interests;
- supporting access to medicines and health programs run by Australian based entities in pacific countries such as Papua New Guinea; and
- other activities to support the above operations, including financial operations, medical affairs, external affairs, regulatory affairs, quality and safety, market access, legal and compliance, and human resources activities.

### 1.3 Our supply chain

GSPL's largest supply arrangements relate to the supply to GSPL of pharmaceutical products that are manufactured, packaged and labelled by other Gilead group companies in Europe and the US. These products are sourced by GSPL pursuant to intercompany agreements with Gilead group companies in Europe and the US.

Other than these intercompany product supply arrangements, GSPL's direct supply chain consists primarily of the procurement of services.

GSPL's primary procurement activities relate to the following:

- product warehousing providers, and third-party logistics and distribution services;
- clinical operations and research;
- various vendor arrangements to provide assistance with medical information services, sales and marketing, medical writing, medical education, and public affairs;
- facilities services, such as catering, cleaning, office supplies and security services; and
- office support functions, including information technology and server management.

Aside from the supply of pharmaceutical products from other Gilead group entities, in FY20, 97.5% of GSPL's total procurement spend was with Australian entities.

Some shared services are provided out of the UK and Hong Kong pursuant to intercompany arrangements by Gilead employees and contractors, including information technology, financial, and employee and human relations.

## 2 Our risks

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In FY20, GSPL used a variety of tools to understand and assess the risks of modern slavery and human trafficking in its operations and supply chain. This included a focus on risks arising from GSPL's operations and third-party supply chain. GSPL also engaged with Gilead group entities and functions to understand Gilead's approach to responsible sourcing, particularly in the manufacture of pharmaceutical products.

As mentioned above, GSPL's operations and over 97.5% of GSPL's direct suppliers are located (based on country of incorporation) in Australia, a country with low vulnerability to and prevalence of modern slavery according to the Global Slavery Index 2018. The remainder of direct suppliers are located (based on country of incorporation) in the USA, the UK, Canada, and New Zealand, which are countries with low vulnerability to and prevalence of modern slavery according to the Global Slavery Index 2018.

The majority of GSPL's suppliers are for activities and services that require the involvement of highly skilled, highly credentialed professional vendor staff (such as science or health care graduates).

The aspects of GSPL's operations and supply chain that may represent an increased risk of modern slavery are:

- those where a large proportion of people are paid the minimum wage;
- sectors that are recognised in Australia as having an increased risk of modern slavery; or
- products/services commonly recognised as higher risk in the pharmaceuticals industry.

Based on the guidance of a number of international bodies, the following sectors or product/services within GSPL's operations and third-party supply chain are identified as having increased modern slavery risks:

- facilities services, including catering, cleaning and security services;
- transportation, logistics, warehousing and distribution; and
- electronics and communications, such as IT hardware.

While GSPL does not manufacture pharmaceuticals directly, GSPL recognises aspects of pharmaceutical manufacture by other Gilead group entities who supply products to GSPL also have an increased risk of modern slavery, including in relation to:

- manufacturing;
- lower tier / raw materials supply;
- API / excipients manufacture and supply; and
- packaging / labelling.

We seek to address the risks of modern slavery above through the actions described in Part 3 below.

### 3 Our actions

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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.

#### 3.1 Policies and procedures

We have several policies that address our approach to the identification of modern slavery risks and the steps to be taken to prevent modern slavery and human trafficking in our operations. These include:

- **Gilead [Core Values](#) and [Code of Ethics](#):** 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) are required to comply with. Gilead expects and requires all third parties to act in a way which is consistent with the principles in our Code of Ethics.
- **[Supplier Code of Conduct](#):** Gilead maintains a Code for suppliers, which stipulates that suppliers must comply with applicable laws, regulations and Gilead standards, including those prohibiting the use of slavery and human trafficking.
- **[Complaint Procedure and Non-Retaliation Policy](#):** This applies to all Gilead employees. Employees are expected to report credible suspicions of violations of laws, rules, regulations, Gilead's Code of Ethics and any other serious wrongdoing within Gilead. Safeguards are in place to encourage good faith reporting. All disclosures are investigated.
- **[Ethics Hotline](#):** This is for use by Gilead employees and contractors to report any suspected violations of Gilead's Code of Ethics or other questionable conduct.
- **[Anti-bribery and Anti-Corruption Policy](#):** This applies to all Gilead employees. This Policy sets forth Gilead's commitment to ensure that Gilead, its affiliates and others acting on Gilead's behalf abide by all international and local Anti-Bribery and Anti-Corruption Laws in countries in which Gilead conducts business.

#### 3.2 Due diligence and managing modern slavery risks

Supported by our policies and procedures outlined above, Gilead and GSPL has in place various other mechanisms to manage potential modern slavery risks:

##### (a) Responsible sourcing

As noted above, GSPL does not engage in the manufacture of pharmaceutical products, but sources those products from Gilead group companies.

As part of Gilead group's procurement and supply-chain strategy, Gilead has responsible sourcing processes in place to minimise the impact from its procurement and supply chain practices.

Gilead group's product ingredients are largely sourced 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 products from countries that are still making efforts to bring themselves into full compliance with the TVPA minimum standards.

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.

**(b) Supplier selection and management**

Gilead endeavours to select suppliers who share our ethical standards and demonstrate compliance with applicable laws.

Gilead expects suppliers to read, understand and apply the principles of the Supplier Code of Conduct (referred to above) in respect of the performance of their supplier responsibilities. Non-compliance to the Supplier Code is a factor in considering eligibility as a Gilead supplier.

Gilead undertakes due diligence processes for third party suppliers.

In the UK, 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 and business integrity), environmental, operational and other risks in its supply chain.

Contractual arrangements with suppliers stipulate compliance with applicable laws and regulations, which include those concerning slavery and human trafficking in the countries where the supplier operates.

Additionally, GSPL is in the process of reviewing and adapting risk assessment materials developed by Gilead's UK entities for use in the Australian context, including carrying out a risk rating of its existing third-party supplier base.

**(c) Training**

As part of responsible sourcing management programmes, Gilead provides targeted online and in person training to key personnel involved in the management of suppliers which specifically address slavery and human trafficking.

Modern slavery briefings have also been provided to GSPL's compliance committee and leadership team.

**3.3 Grievance mechanisms and remediation**

Gilead personnel are required to report potential violations of laws, regulations, company policies (including the 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 its third parties have not met its expectations or contractual obligations, this may result in termination of agreements.

**4 Assessing the effectiveness of our actions**

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We continue to review the effectiveness of our actions in respect to modern slavery risks through several measures:

- assessing our policies and procedures to ensure we address modern slavery risks within our operations and supply chain;
- reviewing our risk assessment approach and associated controls; and
- capturing and responding to complaints and issues raised through Gilead's mechanisms for reporting potential issues, and prioritising investigation and remediation processes as appropriate.

## 5 Consultation and approvals


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This statement was prepared in consultation with GSPL's legal, compliance, procurement and finance teams.

This statement was reviewed by our External Affairs Working Group prior to its approval by the Board of GSPL.

The Board of GSPL approved this statement on 9 July 2021.

Signed

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Jaime McCoy

General Manager and Director

Gilead Sciences Pty Limited