



Gilead Sciences UK

Gender Pay Gap Report 2023

Our commitment to Inclusion and Diversity is critical to realising Gilead's mission

Gilead transforms lives and provides life-saving treatments to millions of people across the globe. Our vision is 'to create a healthier world for all people' and this duty of care extends to our most important asset and the foundation to continued growth and success – our people.

Inclusion is one of Gilead's core values, referring to our ambition to create and foster a work environment that values every one of our employees; one that enables all our people to do their best work and recognises that the ways in which we all differ are among our greatest sources of strength, reflective of the diversity of our patients.

One of our key Inclusion and Diversity aspirations is to be respected for equitable and socially responsible practices – including attracting, retaining and developing diverse talent.

The gender pay gap legislation provides an opportunity for us to measure our progress against this goal, and better understand where we should focus our efforts to support gender parity at Gilead.



What is the gender pay gap?

How does gender pay differ to equal pay?

When reviewing the gender pay gap, it is important to be clear what they are or are not.

Gender pay measures the difference in the average pay between all men and women in the workforce, regardless of their job type or level (taking into account all their pay and bonuses). It is a group comparison that highlights any differences in the distribution of men and women across the workforce.

Equal pay measures the difference in the pay of men and women performing the same role, similar role or work of equal value. It's an individual comparison that highlights any differences in pay, specific to gender.

An employer can have a gender pay gap even if men and women doing the same role are paid exactly the same. **This report and the figures provided will focus on gender pay.**

A review of the gender pay gap legislation

The UK's Equality Act 2010 (Gender Pay Gap Information) Regulations 2017 came into effect in 2017, and required employers with a headcount of 250 or more must comply with these regulations on gender pay gap reporting.

Gender pay gap calculations are based on employer payroll data drawn from a specific date each year - this is called the 'snapshot date' – for Gilead Sciences it is the 5th April.

The following pay gaps must be reported on a mean and median basis:

1. **The percentage of men and women in each hourly pay quarter**
2. **The mean (average) gender pay gap using hourly pay**
3. **The median gender pay gap using hourly pay**
4. **The percentage of men and women receiving bonus pay**
5. **The mean (average) gender pay gap using bonus pay**
6. **The median gender pay gap using bonus pay**

In addition, we must also report on the percentage of male and female employees in each pay quartile.

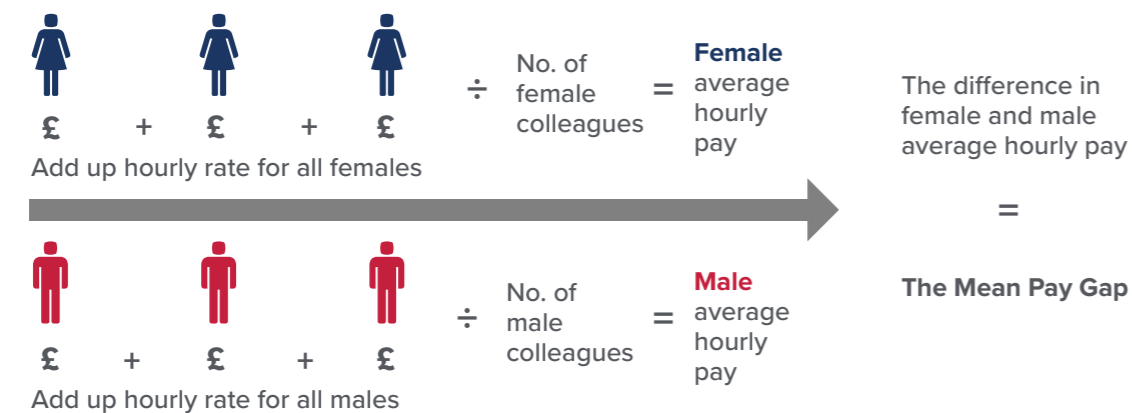
The figures detailed in this report focus on the legislative reporting requirements and we confirm that the content is true to the best of our knowledge and belief.



Measuring gender pay

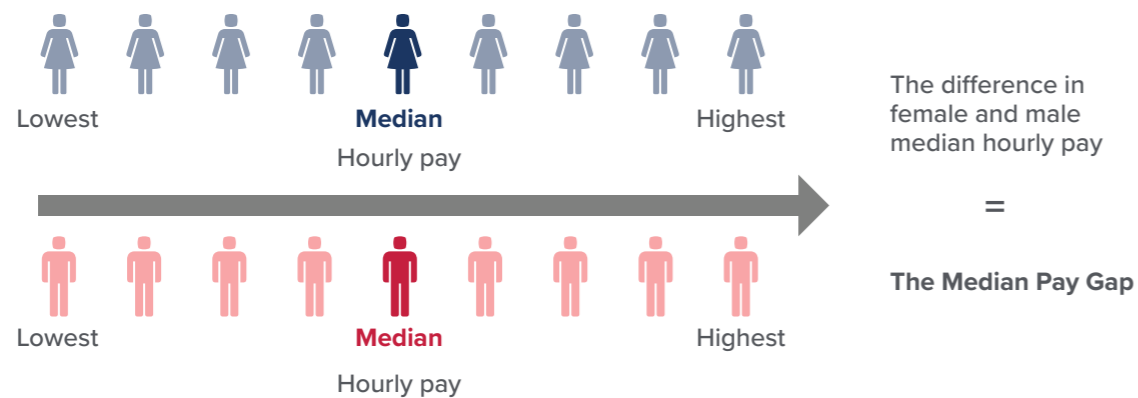
What is the mean pay gap?

The mean pay gap is the difference between the average hourly rates of pay for female employees, compared to the average hourly rate of pay for male employees.



What is the median pay gap?

If you lined up all the female employees and male employees across the UK Gilead Sciences sites the median pay gap represents the difference in hourly pay between the middle female employee, compared to the middle male employee.



What are pay quartiles?

Under the regulations, all companies are required to publish the results of their gender distribution across their range of hourly pay rates. This is achieved by ranking employee pay rates from highest to lowest and dividing the range of pay into four equally sized groups that cover all employees. These groups are referred to as quartiles. Employees are then positioned in their respective pay quartile, regardless of gender.

Gilead Sciences UK 2022 gender pay gap results

The figures displayed below are a snapshot of our pay and bonus gaps as at 05 April 2022. Figures in italics refer to 2017 – the first year of publication.

Measuring our Pay Gap

	Mean		Median	
Hourly Pay Gap	19.8%	<i>25.9%</i>	16.8%	<i>22.8%</i>

Across the UK Gilead Sciences sites, the average hourly pay for female employees is 19.8% lower than that of male employees. Our median hourly pay gap is lower at 16.8% but is still in favour of male employees.

Measuring our Bonus Gap

	Mean		Median	
Bonus Pay Gap	34.5%	<i>51.4%</i>	35.0%	<i>63.7%</i>

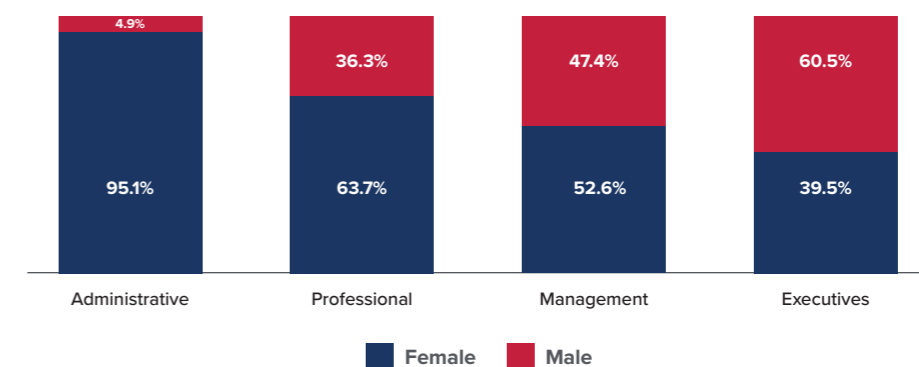
Our mean bonus gap is 34.5% in favour of male employees. There is a smaller difference in our median bonus gap of 35.0%, yet both results reflect the need to address the representation of female employees throughout the organisation and their access to equal bonus opportunities.

Adjusted gaps with 50:50 distribution

We model what our gender pay gap would have been if there were an equal proportion of men and women at each level of the organisation. This removes the portion of the gap which is driven by demographic factors. Across all employees, the mean hourly pay gap is significantly reduced by a 50:50 distribution.

	Mean	
Hourly Pay Gap	0.60%	<i>1.20%</i>
Bonus Pay Gap	-6.70%	<i>-2.20%</i>

This review allows us to ensure our pay gap is driven by uneven gender representation throughout the grades (below) and reaffirm it is not attributed to pay equity. Continuing to balance the distribution will ultimately result in improving our pay gap.



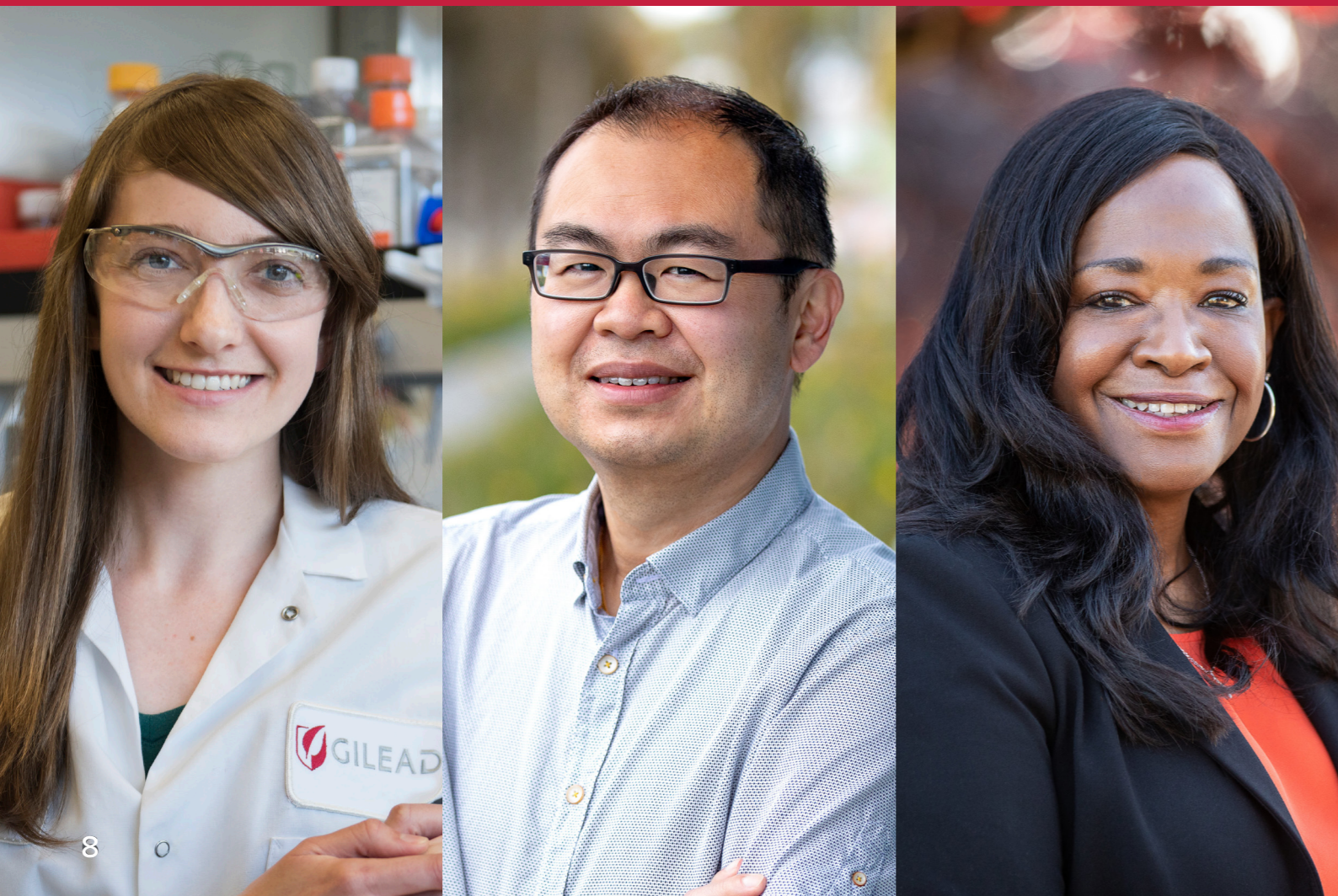
The reasons for our pay and bonus gaps

% of employees receiving bonus



Our hourly pay and bonus pay gaps are influenced by having a higher proportion of male employees at Gilead being in more senior roles, which are often associated with higher pay (as well as higher bonus opportunities). As a result, our strategy to address our gap is focused on achieving greater representation across all functions and teams – as well as initiatives that support the development of female employees.

We recognise that, due to the number of employees we have in the UK, our pay gap is likely to fluctuate year-on-year as people of different genders join and leave the business. As a result, data reflecting our pay and bonus gaps may go up despite progress being made in the progression of female talent. We remain heavily focussed on implementing purposeful initiatives that will develop a diverse talent pipeline, rather than prioritising our attention on year-on-year variations.

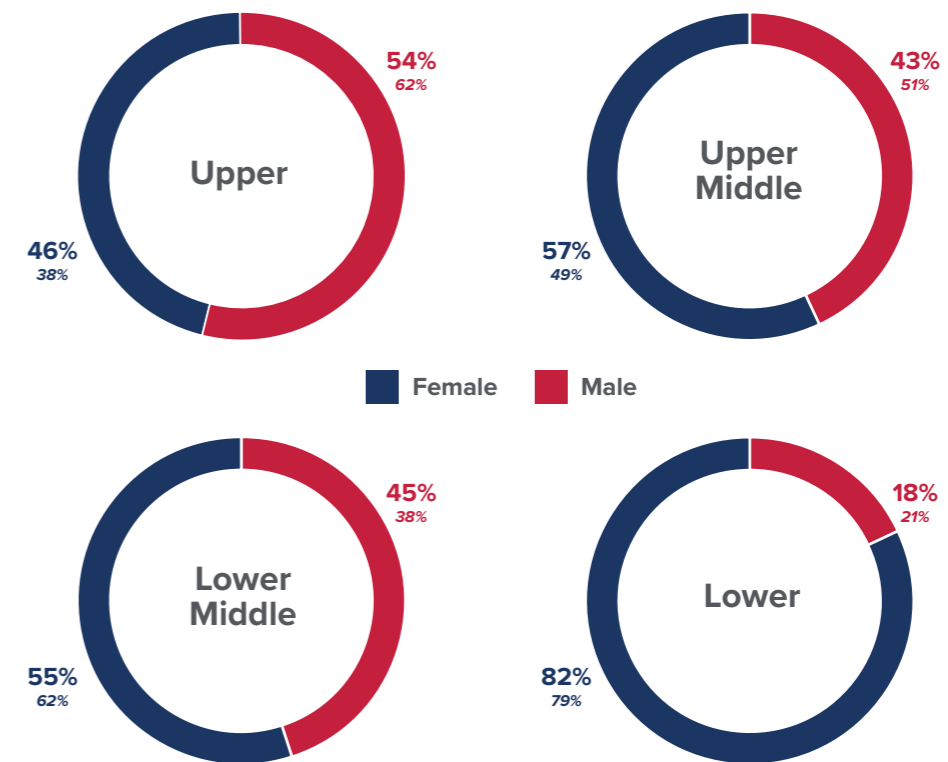


Our pay quartiles

The graphs below are four equally sized groups of employees, ranging from the lowest to the highest paid. These are called pay quartiles. The percentages demonstrate the balance of men and women in each quartile.

While we have greater representation of male employees rather than female employees in the “Upper” percentile, we have seen a significant improvement compared for previous years for “Upper” and “Upper Middle” representation. We understand the uneven representation we see in “Lower” is a significant driver behind our gaps.

Pay quartiles are an important indication about what is driving our pay gap. In addition to our adjusted 50:50 distribution review, pay quartiles emphasise the need to improve our female representation in the Upper quartile and pursue a more balanced Lower quartile distribution.



How do we compare to our peers?

The UK Government provides peer averages through “SIC” codes. Peer comparisons can be a meaningful data point to gauge our progress, though point in time comparisons should be taken within a broader social context as we expect fluctuating data year to year. Ultimately, our focus is to make improvements over time.

	Gilead	SIC 82990
Mean Pay Gap	19.8%	15.9%
Median Pay Gap	16.8%	13.6%
Mean Bonus Gap	34.5%	39.4%
Median Bonus Gap	35.0%	24.0%

Our commitment to address the gender pay gap

We are striving for equal representation of women at Gilead, across all grade functions and teams, as well as our people manager population. Our gender pay strategy is made up of both local and global initiatives that ensure inclusion and diversity at Gilead is demonstrated across all levels within the organisation as we continue to support the representation of our female employees.

Training, recruitment & selection

- Increasing inclusion and diversity awareness across the organisation can help to drive purposeful action among all employees. We deliver **I&D awareness training** sessions for all employees and **support our people managers** to be 'diversity-aware' when making future employment decisions.
- Inclusion and diversity programs focusing on equity and hiring bias have been designed to augment our broader efforts. Our **diverse slate program** ensures that hiring managers interview a diverse group of candidates.

Work-life balance

- To help attract and retain diverse talent across the organisation, in 2019 we introduced **G.Flex**, a program offering flexible working opportunities that allows employees to tailor where and when they work based on their individual needs and those of the business.

Employee Resource Groups and I&D action plans

- **Employee Resource Groups** (ERGs) are open to all of our employees regardless of their background and help to foster a sense of belonging and inclusion in the workplace that can spark innovation and accelerate employee development. Globally, core groups include: Women@Gilead, PRIDE Alliance and the Global Organisation for Black Employees (GLOBE), and Inclusion and Diversity.
- **Women@Gilead** is dedicated to recruiting, developing, supporting and retaining our female employees. This ERG makes a direct business impact by helping to ensure every woman in the workplace feels valued, empowered and has opportunities to thrive at Gilead.
- To support the delivery of our corporate inclusion and diversity goals, we have developed a series of **action plans for I&D pillars, including the work for the ERGs.**

