

GILEAD SCIENCES INC
Form DEF 14A
March 25, 2019
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant

Filed by a Party other than the Registrant

CHECK THE APPROPRIATE BOX:

- Preliminary Proxy Statement
- Confidential, For Use of the Commission Only (as permitted by Rule 14a-6(e)(2))
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material Under Rule 14a-12

Gilead Sciences, Inc.

(Name of Registrant as Specified In Its Charter)
(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

PAYMENT OF FILING FEE (CHECK THE APPROPRIATE BOX):

No fee required.

Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.

- 1) Title of each class of securities to which transaction applies:
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- 1) Amount previously paid:
 - 2) Form, Schedule or Registration Statement No.:
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-

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About Gilead

Advancing Therapeutics, Improving Lives

Gilead Sciences, Inc. is a research-based biopharmaceutical company that discovers, develops and commercializes innovative medicines in areas of unmet medical need. With each new discovery and investigational drug candidate, we strive to transform and simplify care for people with life-threatening illnesses around the world. Gilead's primary areas of focus include HIV/AIDS, liver diseases, hematology/oncology and inflammation/respiratory diseases. We seek to add to our existing portfolio of products through our internal discovery and clinical development programs, product acquisition, in-licensing and strategic collaborations.

Growing Worldwide Reach

Gilead, headquartered in Foster City, California, was incorporated in Delaware in 1987. We have operations in more than 35 countries worldwide, with more than 11,000 employees.

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Message from our Lead Independent Director

March 25, 2019

Dear Stockholders,

As an innovative company working to discover, develop and commercialize novel therapeutics in areas of unmet medical need, we are committed to delivering products that change the lives of millions of patients around the world. We believe in our approach to innovation: relentlessly pursuing the best breakthroughs in science—whether they are found within our own labs or through our partnerships.

Advancing Our Business

Looking back, 2018 was a year of strong and consistent operational and financial execution, despite significant leadership transitions. A few areas to highlight:

Successful Product Launches:

—For 2018, our HIV business grew by 12% compared to 2017, largely driven by the successful launch of Biktarvy[®], a single-tablet regimen for the treatment of HIV-1 infection in certain patients.

—We also made measurable progress in cell therapy and received approval in Europe for Yescarta[®] as a treatment for adult patients with relapsed or refractory diffuse large B-cell lymphoma and primary mediastinal large B-cell lymphoma, after two or more lines of systemic therapy.

R&D Investments:

—We invested \$5 billion in R&D for the year and continued to advance our pipeline with 41 Phase 3 clinical trials at year-end.

—In addition, our financial strength allows us to advance and expand our R&D pipeline through external partnerships and acquisitions to address areas of unmet medical need and drive long-term stockholder value.

Welcoming Daniel O'Day as Chairman and Chief Executive Officer

After a comprehensive search process led by the Board, March 1, 2019 marked Dan's first day as our Chairman and Chief Executive Officer. Dan's record of success in highly scientific and competitive therapeutic areas, his deep understanding of the evolving, global healthcare environment and his unwavering commitment to driving innovation will serve Gilead and our stockholders well as we continue the work to deliver on our ambitious goals.

Engaging with Stockholders

Our Board of Directors continued its accountability to you through active engagement and oversight of our company's leadership, strategy, business objectives and potential risks. Consistent with prior years, in 2018, along with the executive team, I had the pleasure of meeting with some of our largest stockholders to gain critical insights about a number of governance topics. We highly value stockholder feedback, and I was pleased to share the feedback with Gilead's executive leadership and our Board of Directors.

Aligning Pay and Performance

Our compensation programs create appropriate incentives for our executive officers. These incentives focus on long-term success and align our executive officers' interests with those of our stockholders. In 2018, our annual incentive plan paid out above target as a result of the strong progress in our product pipeline and execution against rigorous business goals. At the same time, the realized value of our executives' outstanding equity awards earned over the last several years is well below the grant date value, reflecting our stock price volatility, resulting from the unique dynamics of the curative hepatitis C virus therapies. In our Compensation Discussion and Analysis, we discuss the direct alignment of pay with stockholder returns and the impact of leadership transitions on how we paid our executives in 2018.

Your Continued Confidence and Support

On behalf of our entire Board of Directors and more than 11,000 employees, we thank you for your investment in Gilead. We ask for your voting support on the matters described in this Proxy Statement so we can continue our important work to improve the lives of patients impacted by the diseases our products treat or cure.

We encourage you to read more about our 2018 performance in the Year in Review, which will be available for download at www.gilead.com beginning May 2, 2019.

Sincerely,

JOHN F. COGAN, Ph. D.

Lead Independent Director

John F. Cogan, Ph.D.

Lead Independent Director

We believe in our approach to innovation: relentlessly pursuing the best breakthroughs in science—whether they are found within our own labs or through our partnerships.

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Notice of Annual Meeting of Stockholders

<p>When Wednesday, May 8, 2019 10:00 a.m. Pacific Daylight Time</p>	<p>Where Westin San Francisco Airport, 1 Old Bayshore Highway, Millbrae, California 94030</p>	<p>Record Date Friday, March 15, 2019</p>
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Voting

Holders of Gilead common stock at the close of business on the Record Date are entitled to vote. Whether or not you expect to attend the Annual Meeting, please grant a proxy to vote by one of the following procedures as promptly as possible in order to ensure your representation at the Annual Meeting. For more specific voting instructions, please refer to “Questions and Answers” in this Proxy Statement.

By Telephone*
 +1-800-690-6903
 (for stockholders of record)

By Internet*
www.proxyvote.com

By Mail
 Complete, date, sign and return the proxy card mailed to you (if you request one) or voting instruction card (if sent by your nominee)

In Person
 Holders of our common stock at the close of business on the Record Date and holders of a valid legal proxy for the Annual Meeting are entitled to attend and vote at the meeting in person

* You will need to provide the control number that appears on your Notice of Internet Availability of Proxy Materials. Voting by telephone and internet closes on May 7, 2019 at 11:59 p.m., Eastern Daylight Time.

Items of Business

Board
 Recommendation

- | | |
|---|---|
| <p>To elect nine directors to serve for the next year and until their successors are elected and qualified.</p> | <p>FOR each
 Director
 nominee</p> |
| <p>To ratify the selection of Ernst & Young LLP by the Audit Committee of the Board of Directors as the independent registered public accounting firm of Gilead for the fiscal year ending December 31, 2019.</p> | <p>FOR</p> |
| <p>To approve an amendment to Gilead's Restated Certificate of Incorporation to allow stockholders to act by written consent.</p> | <p>FOR</p> |
| <p>To approve, on an advisory basis, the compensation of our Named Executive Officers as presented in the Proxy Statement.</p> | <p>FOR</p> |
| <p>To vote on a stockholder proposal, if properly presented at the meeting, requesting that the Board adopt a policy that the Chairperson of the Board of Directors be an independent director.</p> | <p>AGAINST</p> |

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To vote on a stockholder proposal, if properly presented at the meeting, requesting that the Board issue a report describing how Gilead plans to allocate tax savings as a result of the Tax Cuts and Jobs Act. **AGAINST**

To transact such other business as may properly come before the meeting or any adjournment or postponement thereof.

By Order of the Board of Directors,

Brett A. Pletcher
Corporate Secretary
Foster City, California
March 25, 2019

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Overview

The Annual Meeting and this Proxy Statement provide an important opportunity for us to communicate with you about the achievements of the past year and our stewardship of Gilead. Your vote is important to us. As you consider your vote, we ask that you carefully review the information in this Proxy Statement. Below is an overview of our business and a summary of key aspects of our performance and corporate governance to assist in your review of the more detailed information contained elsewhere in this Proxy Statement.

Cautionary Note Regarding Forward-Looking Statements

This Proxy Statement contains “forward-looking statements” — that is, statements related to future events that by their nature address matters that are, to different degrees, uncertain. Risks and uncertainties that may cause our actual future results to differ are set forth in the “Risk Factors” section of, and elsewhere in, our 2018 Annual Report on Form 10-K and other filings with the U.S. Securities and Exchange Commission (the “SEC”). All forward-looking statements are based on management’s estimates, projections and assumptions as of the date hereof, and Gilead undertakes no obligation to update any such statements.

2018 Performance Highlights

2018 Was Marked by Exceptional Operational and Financial Performance Despite Significant Leadership Transitions

Senior Leadership Transitions

Following 28 years of service, John F. Milligan, Ph.D. stepped down from his role as President and Chief Executive Officer at the end of 2018. John C. Martin, Ph.D. also stepped down from his role as Chairman of our Board of Directors (our “Board”) after more than 28 years of service at Gilead, having determined that this would be a natural transition point from his successive roles as Chief Executive Officer, Executive Chairman and Chairman. Following a comprehensive search, in December 2018, we announced the selection of Daniel P. O’Day to serve as our new Chairman and Chief Executive Officer, effective March 1, 2019. Mr. O’Day brings more than 30 years of experience in executive management, creative leadership and operational excellence, having held diverse leadership roles across North America, Asia Pacific and Europe. Most recently, Mr. O’Day served as the Chief Executive Officer of Roche Pharmaceuticals, the pharma division of Roche Group. Our Board views Mr. O’Day as a transformational leader with a track record of success in highly scientific and competitive therapeutic areas, a deep understanding of the evolving healthcare environment around the world, and an unwavering commitment to driving innovation across all aspects of a business. Our Board believes these attributes are critical to advancing our goals and driving stockholder value in the future.

We also had other executive officer transitions in 2018, including the promotion of John McHutchison, A.O., M.D. to Chief Scientific Officer and Head of Research and Development, and the hiring of Laura J. Hamill as Executive Vice President, Worldwide Commercial Operations. Some of these transitions resulted from planned retirements and successions while others reflected normal industry turnover.

With the fresh perspective of new leaders and the deep experience of continuing leaders, we are well-positioned for growth in multiple therapeutic areas in an increasingly complex healthcare environment.

Ongoing Operational Excellence

2018 was a year filled with significant accomplishments and success in meeting our operational goals:

We advanced our internal research and development efforts and continued to expand our development pipeline across therapeutic areas, resulting in more product candidates in our pipeline than ever before. Specifically, at the end of 2018, we had 119 active clinical studies, of which 41 were Phase 3 clinical trials.

We extended our leadership position in HIV by growing our business to an all-time high in HIV product revenues, despite the entry of generic products.

We continued to execute and maximize our opportunity in chronic hepatitis C virus (“HCV”) and initiated a plan to launch authorized generics starting in 2019, which should keep us competitive in a durable long-term market.

In cell therapy, we certified 79 treatment centers across the United States and Europe and saw the steady and measured adoption of Yescarta® in the United States and the approval of Yescarta in Europe. We also progressed our cell therapy pipeline and enhanced our manufacturing capabilities to enable greater access to these life-saving therapies for patients.

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Our strong operating margins, which are greater than 50% (non-GAAP), produced strong cash flows. We finished the year with a strong balance sheet that will enable us to continue to execute on mergers and acquisitions and strategic collaborations to drive future growth.

- Note: Non-GAAP operating margin excludes acquisition-related, up-front collaboration, stock-based compensation and other expenses. Refer to a reconciliation between GAAP and non-GAAP operating margin at **Appendix B**. During 2018, we repaid \$6.3 billion of debt and returned almost \$6 billion to stockholders, including cash dividends of \$3 billion and share repurchases of \$2.9 billion. In addition, in 2018 and again in early 2019, we announced double-digit percentage increases to our dividend, which underscores our confidence in the strength of the business and future cash flows.

Successful Product Launches

We launched Biktarvy® in the United States and the European Union. Through its first 11 months, Biktarvy is the best HIV launch of all time in the United States, as measured by total prescriptions on a launch-aligned basis. In addition, we received approval for Yescarta in the European Union in 2018 and have begun treating patients in the United Kingdom and Germany.

Strategic Collaborations and Investments

We continued to utilize our strong balance sheet to significantly enhance our research pipeline by executing 25 partnerships, licensing, M&A or equity investment deals in 2018 as summarized below:

Pipeline Performance

We advanced our nonalcoholic steatohepatitis (“NASH”) and inflammation programs by enrolling Phase 3 studies significantly ahead of schedule. Although our first Phase 3 NASH trial did not meet its primary endpoint, we continue to evaluate the efficacy of selonsertib. For our investigational compound, filgotinib, we announced positive data from ongoing Phase 2 and 3 clinical trials. We expect to announce additional filgotinib data in 2019. In addition, we continued to invest in research for next-generation HIV therapies, including long-acting injectables for the prevention or treatment of HIV.

Financial Performance and TSR

Since 2000, our HIV and non-HCV businesses have grown at a compound annual growth rate of approximately 30% as measured by total product sales. However, the unique dynamics created by the curative nature of our HCV products have impacted our five-year total shareholder return (“TSR”) and masked the significant and consistent growth we experienced in our core HIV business since inception.

In 2013, we launched our first HCV cure product, which was a significant improvement over the then standard of care for HCV treatment. As a result, a significant number of “warehoused” patients whose treatment had been delayed sought therapy, contributing to our substantial HCV product sales in 2014 and 2015. Our HCV product sales peaked in 2015, resulting in nearly a tripling of our total product sales that year compared to 2013.

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Once the initial group of patients was treated and as competitive HCV therapies entered the market, our HCV product sales rapidly declined. Our HCV product sales continued to decline in 2018, causing our total product sales to decrease 16% compared to 2017.

The following chart illustrates the effect of our HCV products on our total product sales and stock price and the performance of our core HIV and other non-HCV products since inception:

HIV and Non-HCV Product Sales Continued to Grow Over Time while HCV Product Sales Peaked in 2015

(1) Based on the closing price on the last business day of the applicable year

The effect of our HCV products on our total product sales and stock price over the last several years has affected our TSR as shown above and in the graph below.

Total Shareholder Return(1)

(1) Data per S&P Research Insight as of December 31, 2018

Despite the expected decline in our HCV product sales, we achieved total product sales of \$21.7 billion, which was above the high end of the guidance we revised in October 2018. Our HIV product sales increased by 12% in 2018 compared to 2017, despite the loss of exclusivity for tenofovir disoproxil fumarate (“TDF”), a backbone component of our earlier HIV treatment products in certain markets. This growth is being driven by our Descovy® (emtricitabine/tenofovir alafenamide)-based products, such as Biktarvy, as well as Truvada® for pre-exposure prophylaxis, an indication for HIV prevention. The development of our Descovy-based portfolio of HIV treatments exemplifies our ability to innovate to consistently deliver stockholder value. Looking ahead, we expect double-digit year-on-year growth in our HIV business in 2019 and believe that, for the first time in several years, this growth will offset the continued expected decline in our HCV product sales, providing an opportunity to grow total product sales from 2018.

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Corporate Governance Highlights

We are committed to strong corporate governance structures and practices that reflect our commitment to integrity and excellence in conducting our business and that are designed to make our Board effective in exercising its oversight role. The governing framework within which our Board fulfills its responsibilities, together with the associated governance documents, is available at <http://www.gilead.com> on the Investors page under “Corporate Governance.” Our Board regularly reviews these materials in light of legal and regulatory requirements, evolving best practices and other developments.

Our Board values the feedback we receive from our stockholders regarding corporate governance and other matters, and we have a history of being responsive to stockholders. Our Board has adopted corporate governance structures and practices that create accountability to our stockholders, as summarized in the table below.

WHAT WE DO

Annually Elect Directors	Stockholder Right to Call Special Meetings
Majority Vote to Elect Directors	Proxy Access with 3% / Three-Year Threshold
Substantial Majority of Independent Directors	One Class of Stock with Equal Voting Rights
Robust Lead Independent Director Role	Annual Say-on-Pay Vote
Regular Executive Sessions of Independent Directors	Proactive Year-Round Stockholder Engagement
Fully Independent Board Committees	Annual Board and Committee Evaluations
Independent Evaluation of Chief Executive Officer	Ongoing Board Refreshment
Established Board Guidelines and Committee Charters	Annual Corporate Responsibility Report
	Stockholder Right to Act by Written Consent
Board Commitment to Diversity	

WHAT WE DO NOT DO

No Poison Pill
 No Supermajority Voting Provisions
 Additional information regarding certain of the above governance practices is set forth below.

Stockholder Right to Act by Written Consent

See Proposal 3 on page 34

Our Board is submitting for stockholder approval an amendment to our Restated Certificate of Incorporation to allow stockholders to take action by written consent. In connection with our 2018 annual meeting of stockholders, we received a stockholder proposal requesting that the Board take the necessary steps to allow stockholders to act by written consent. Our Board recommended against this stockholder proposal, in part due to concerns that it could disenfranchise smaller stockholders. Of the votes cast, 50.9% supported the proposal (representing approximately 37.1% of our outstanding stock). In the fall of 2018, we solicited feedback from our stockholders related to the 2018 stockholder proposal and how we could amend our Restated Certificate of Incorporation to authorize action by written consent in a way that protects and is in the best interests of all stockholders. Based on the feedback we received and on a comprehensive review of market practice with respect to written consent rights, our Board has proposed this amendment, which includes a threshold to request a record date for action by written consent at 20% of our outstanding shares (matching the threshold required to call a special meeting), as well as procedural and other safeguards that are consistent with market practice to safeguard fairness and transparency in the process for all our stockholders.

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Ongoing Board Refreshment

We believe Board refreshment is integral to effective corporate governance. We continue to review our Board's composition and seek to balance continuity and fresh perspectives. Our Nominating and Corporate Governance Committee is responsible for identifying and recommending director candidates to our Board for nomination. Our Nominating and Corporate Governance Committee seeks to include diverse candidates in every director search.

We have taken a number of steps to refresh our Board since 2015, when some stockholders noted that many of our directors were long tenured. Of our current nine directors, four were appointed to our Board in the last three years:

2019

In March 2019, John C. Martin, Ph.D., retired as Chairman and member of our Board.

We appointed Mr. O'Day as our new Chairman and member of our Board in connection with his appointment as Chief Executive Officer.

2018

Two of our directors retired from our Board.

We appointed Jacqueline K. Barton, Ph.D., Professor at the California Institute of Technology, to our Board and Scientific Committee.

We appointed Harish Manwani, retired Chief Operating Officer of Unilever, to our Board and Compensation Committee.

2017

One of our directors retired from our Board.

We appointed Dr. Milligan to our Board in connection with his appointment as Chief Executive Officer.

2016

Two of our directors retired from our Board.

We appointed Kelly A. Kramer, Chief Financial Officer of Cisco Systems, Inc., to our Board and Audit Committee.

Stockholder Outreach and Engagement

We believe that strong corporate governance includes outreach and engagement with our stockholders on a regular basis throughout the year to better understand the issues that are important to them. This enables us to address these matters in a more meaningful and effective way and to drive improvements in our policies, communications and other areas. As part of our robust stockholder engagement program, our senior management team addresses a variety of topics through regular contact with investors, including in quarterly earnings calls, investor and industry conferences, analyst meetings and discussions with individual stockholders.

In the fall of 2018, we contacted stockholders representing approximately 38% of our outstanding shares, and we met with stockholders representing approximately 29% of our outstanding shares and the two largest proxy advisor firms, gaining valuable insights. During these meetings, we discussed a range of topics, including company strategy and performance, corporate governance, executive compensation, corporate social responsibility and other current and emerging topics. A key topic at the time was the Chief Executive Officer transition. John F. Cogan, Ph.D., our Lead Independent Director, participated in these discussions and answered questions about the transition. Another corporate governance topic raised by our institutional investors was the Corporate Governance Principles for U.S. Listed Companies issued by the Investor Stewardship Group ("ISG"). We believe our strong corporate governance structures align with these ISG principles. We gained constructive feedback from our stockholders

during these engagements, which was shared with our Board and management.

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Proxy Statement for the 2019 Annual Meeting of Stockholders on May 8, 2019

GILEAD SCIENCES, INC.
333 Lakeside Drive
Foster City, California 94404

We are providing these proxy materials in connection with the solicitation by the Board of Directors (the “Board”) of Gilead Sciences, Inc., a Delaware corporation (“Gilead,” “we,” “our” or “us”), of proxies to be voted at our 2019 annual meeting of stockholders (the “Annual Meeting”) to be held on Wednesday, May 8, 2019 at 10:00 a.m., Pacific Daylight Time, or at any adjournment or postponement thereof, for the purposes set forth herein and in the accompanying Notice of Annual Meeting of Stockholders. The Annual Meeting will be held at the Westin San Francisco Airport, 1 Old Bayshore Highway, Millbrae, California 94030.

We first mailed or made available this Proxy Statement and the accompanying proxy card on or about March 25, 2019 to all stockholders entitled to vote at the Annual Meeting.

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Corporate Governance

Election of Directors

There are nine nominees for the Board positions presently authorized. Proxies cannot be voted for a greater number of persons than the number of nominees standing for election. Directors are elected by a majority of the votes cast (number of shares voted “for” a director must exceed the number of shares voted “against” that director) with respect to the election of each director at the Annual Meeting. Each director who is elected will hold office until the next annual meeting of stockholders and until his or her successor is elected and qualified, or until such director’s earlier death, resignation or removal. Each nominee listed below is currently a director of Gilead and, other than Harish Manwani and Daniel P. O’Day, was previously elected by the stockholders at the 2018 annual meeting of stockholders. Mr. Manwani was recommended for consideration to our Nominating and Corporate Governance Committee by a third party search firm and joined the Board in May 2018. Mr. O’Day joined the Board in March 2019 in connection with his appointment as our Chairman and Chief Executive Officer after a comprehensive search led by members of our Board.

Shares represented by executed proxies will be voted for or against the election of the nine nominees named below. In the event that any nominee should be unavailable for election as a result of an unexpected occurrence, such shares will be voted for the election of such substitute nominee as our Board may propose or the Board may reduce the size of the Board. Each person nominated for election has agreed to serve if elected and our Board and management have no reason to believe that any nominee will be unable to serve.

Our Nominating and Corporate Governance Committee recommended each of the nominees listed below to our Board for nomination. Each member of our Nominating and Corporate Governance Committee meets the criteria of “independent director” as specified by applicable laws and regulations of the SEC, the listing rules of Nasdaq and our Board Guidelines, as determined affirmatively by our Board.

The Board unanimously recommends a vote “FOR” each named nominee.

The Gilead Board of Directors

In identifying potential director nominees, our Nominating and Corporate Governance Committee considers Board candidates recommended through a variety of methods and sources. These include suggestions from current Board members, senior management, stockholders, professional search firms and other sources. Our Nominating and Corporate Governance Committee reviews all candidates in the same manner regardless of the source of the recommendation.

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Corporate Governance

Evaluating Director Candidates

In evaluating candidates for membership on the Board, our Nominating and Corporate Governance Committee considers the candidate's relevant experience, the number and nature of other board memberships held and possible conflicts of interest. Diversity is an important attribute of a well-functioning board. Our Nominating and Corporate Governance Committee advises our Board on matters of diversity, including race, gender, culture, thought and geography, and nominates director candidates that will cause the Board to reflect a range of viewpoints, backgrounds, skills, experience and expertise. Our Nominating and Corporate Governance Committee seeks to include diverse candidates in any director search and specifically requests diverse candidates from our third party search firm. In addition to the traditional candidate pool of corporate directors and officers, the committee also considers qualified candidates from a broad array of organizations, including academic institutions, privately held businesses, nonprofit organizations and trade associations. In 2017, our Board amended the Nominating and Corporate Governance Committee Charter to formalize our Board's commitment to diversity. Each year, our Nominating and Corporate Governance Committee reviews its Board membership criteria and assesses the composition of the Board against the criteria.

Our Nominating and Corporate Governance Committee also will consider all factors it determines appropriate to meeting the needs of the Board at that particular time. According to the Board membership criteria established by our Nominating and Corporate Governance Committee, candidates nominated for election or reelection to the Board should 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;

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.

It is the policy of our Nominating and Corporate Governance Committee to consider properly submitted stockholder recommendations of new director candidates. Our Nominating and Corporate Governance Committee's evaluation process for director nominees does not vary based on whether a candidate is recommended by a stockholder or the Board. Any stockholder recommendation must include the candidate's name and qualifications for Board membership, the candidate's age, business address, residence address, principal occupation or employment, the number of shares beneficially owned by the candidate and all other information that would be required to solicit a proxy under federal securities law. In addition, the recommendation must include the stockholder's name, address and the number of shares beneficially owned. The recommendation should be sent to the Corporate Secretary, Gilead Sciences, Inc., 333 Lakeside Drive, Foster City, California 94404. The recommendation must be delivered to the Corporate Secretary prior to the same deadline for director nominations not for inclusion in the proxy materials, as described under question 15 in "Questions and Answers."

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Corporate Governance

Skills and Qualifications of our Director Nominees

The tables below include some of the skills, qualifications, backgrounds and experience of each director nominee that led our Board to conclude that he or she is qualified to serve on our Board. This high-level summary is not intended to be an exhaustive list of each director nominee's skills or contributions to the Board.

Name and Age	Independent	Director Since	Relevant Skills and Qualifications	Gilead Committees
John F. Cogan, Ph.D., 71 Lead Independent Director Senior Fellow, Hoover Institution, Stanford University	Yes	2005	Economic, social security and healthcare policy Policymaking and government experience	Audit Scientific
Jacqueline K. Barton, Ph.D., 66 Professor, California Institute of Technology	Yes	2018		