

Notice of Exempt Solicitation

NAME OF REGISTRANT: Gilead Sciences, Inc.

NAME OF PERSON RELYING ON EXEMPTION: AIDS Healthcare Foundation

ADDRESS OF PERSON RELYING ON EXEMPTION: Laura Boudreau

Laura.Boudreau@ahf.org

Written materials are submitted pursuant to Rule 14a-6(g)(1) promulgated under the Securities Exchange Act of 1934. Submission is not required of this filer under the terms of the Rule.

Dear Gilead Sciences Shareholders,

AIDS Healthcare Foundation and co-filer AkademikerPension (the “Proponents”) urge you to vote **FOR Proposal 6** “Requesting a Report on the Impact of Extended Patent Exclusivities on Patient Access” (the “Proposal”) at Gilead Sciences, Inc.’s (or “Gilead Sciences” or “the Company’s”) annual general meeting on May 7, 2026. The Proposal asks the Company to furnish a report (at reasonable cost and omitting confidential or proprietary information) that assesses the risks of how extending patent exclusivities of current Gilead treatments could delay Gilead from releasing biosimilars and novel therapeutics, hindering patient access to more effective and/or affordable treatments. The report need not include any material that Gilead reasonably believes would prejudice it in pending litigation or claims of which it has notice.

We are confident that such a report would benefit Gilead by detailing how a patent extension strategy not only hinders patient access to more effective and affordable treatments, but also undermines innovation by favoring short-term revenue growth, which offers diminishing returns, over investments in the breakthrough therapeutics that drive long-term growth. Innovation dictates preeminence in the biopharmaceutical market. Competitors that beat Gilead to market with the next blockbuster drug could become the dominant provider of a specific drug class where product efficacy more than brand recognition determines market share.

Patent extension strategies go beyond reinforcing intellectual property protections. Gilead should patent discoveries to protect their investments, making the Company more attractive to current and potential shareholders. Extension strategies, however, differ from robust legal protections; with an extension strategy, an entity can erect barriers to entry from potential competitors. In the pharmaceutical sector, these barriers can keep prices artificially high for a product that no longer justifies the “breakthrough therapeutic” moniker it earned when it entered the market as much as a decade earlier. An extension strategy focuses on erecting “patent thickets” – a complex array of overlapping patents for a single drug that include the drug’s composition, the delivery method, the manufacturing process, and even its indications.¹ “Evergreening” helps build thickets by filing new patents for minor alterations to drugs,

¹ Kristi Martin, “How Drugmakers Use the Patent Process to Keep Prices High,” *The Commonwealth Fund*, November 13, 2025, <https://www.commonwealthfund.org/publications/explainer/2025/nov/how-drugmakers-use-patent-process-keep-prices-high>.

extending exclusivity before the original patent expires.² As a result, patients remain on older drugs or “successor” products with the same formulations instead of accessing groundbreaking treatments that make dramatic changes to clinical outcomes. Companies waste time and resources better allocated for investing in innovative medicines that not only change patient lives but could position the company as preeminent in specific treatment areas, leading to significant revenue growth, as competitors offer no comparable therapeutic options.

Patent extension strategies can curb innovation as drug companies try to maximize profits of older products, leaving room for competitors to enter the market with a superior therapeutic. In 2021, there were 740 patents “protecting” the top ten selling drugs in the United States.³ Of note, drug manufacturers filed over 140 patents per drug, with 66% of applications filed after the drug received FDA approval.⁴ The data suggests drug manufacturers are focusing their research on incremental improvements via minor modifications to drugs already on the market rather than research conducive to blockbuster advancements.⁵

Gilead has a patent extension strategy. The question is whether the Company is too reliant on extending the exclusivity of older products rather than innovating new products, and how shareholders should evaluate that approach. Gilead references the critical importance of extending patent exclusivities to its revenue model. In its 2024 10-K Report, it places extending patents of existing products on par with bringing new products to market:

Our success depends on developing and commercializing new products or expanding the indications for existing products. If we are unable to launch commercially successful new products or new indications for existing products, including approval for earlier lines of therapy, our business will be adversely impacted.⁶

Intellectual property protections are a necessary but insufficient component for success in the pharmaceutical industry. Focusing on protecting older protect lines potentially distracts from the core mission of developing single-source, novel therapeutics – the drugs that offer the best profit potential as they have no competitors and represent breakthroughs in treatment. The Proposal asks for a report that details if Gilead’s patent extensions interfere with the release of new products, which would let shareholders evaluate how essential patent extensions are to Gilead’s business – it neither asks nor recommends that Gilead cease patent extensions.

The table below from the 2024 10-K shows the estimated patent expiration dates, **which include patent extensions** granted by the U.S. and European Union.⁷

² Kevin J. Hickey, *The Role of Patents and Regulatory Exclusivities in Drug Pricing*, Congressional Review Service, January, 30, 2024: 2, https://www.everycrsreport.com/files/2024-01-30_R46679_c53fe70a70e8033b604190ab8af864c3d5fdcf2f.pdf.

³ I-MAK, “Overpatented, Overpriced: Curbing patent abuse: Tackling the Root of the Drug Pricing Crisis,” September 2022, <https://www.i-mak.org/wp-content/uploads/2022/09/Overpatented-Overpriced-2022-FINAL.pdf>.

⁴ Ibid.

⁵ Olga Gurgula, “Strategic Patenting by Pharmaceutical Companies – Should Competition Law Intervene?” 2020: 1063, https://pmc.ncbi.nlm.nih.gov/articles/PMC7592140/pdf/40319_2020_Article_985.pdf.

⁶ Gilead Sciences, SEC Filings, 10-K Annual Report 2024: 19, <https://d18rnOp25nwr6d.cloudfront.net/CIK-0000882095/9db81593-fd55-43d3-b162-01b746069efd.pdf>.

⁷ “Gilead 2024 10-K,” 9.

Products	Patent Expiration ⁽¹⁾	
	U.S.	EU
Descovy	2031 ⁽²⁾	2027
Vemlidy	2031 ⁽²⁾	2027
Complera/Eviplera	2025	2026
Zydelig	2025	2029
Odefsey	2032 ⁽²⁾	2027
Yescarta	2031	— ⁽³⁾
Stribild	2029 ⁽⁴⁾	2028
Genvoya	2029 ^{(4), (5)}	2028
Harvoni	2030	2030
Epclusa	2033	2032
Biktarvy	2033	2033
Vosevi	2034	2033
Veklury	2036 ⁽⁶⁾	2035
Tecartus	2027	— ⁽³⁾
Trodelvy	2028 ⁽⁷⁾	2029
Hepcludex	2030	2029
Sunlenca	2037	2037
Livdelzi	2025 ⁽⁸⁾	— ⁽⁹⁾

The table boasts an impressive list of Gilead products, many of which will soon face generic competition that often comes with diminishing returns. Perhaps Gilead will engage in further evergreening tactics that forestall pending competition. The expiration dates alone do not provide a full picture of prospective revenue. For example, while Biktarvy is not a direct successor to Descovy, patients living with HIV and their prescribers prefer the newer, more effective medication; the market has spoken. In 2024, Biktarvy sales increased by 13% to \$13.4 billion from 2023 while Descovy sales increased 6%, generating just \$2.1 billion in sales.⁸ In effect, drugs within the portfolio compete for market share irrespective of their expiration dates. Efficacy informs preference, with Descovy commanding lower average prices compared to Biktarvy.⁹ Patent extensions can divert time and resources away from bringing new products to market while generating diminishing returns. Such extensions should normally represent an ancillary not primary driver of revenue for the medium and long term.

The high costs Americans pay for prescription drugs relative to other advanced industrialized nations could result in changes to the patent system. Political pressure informs policymaking. A report commissioned by the Department of Health and Human Services compared international drug price data from 2022 and found the prices for brand name drugs in the United States were at least 322% higher than in comparable countries, even after accounting for rebates.¹⁰ There is bipartisan consensus that drug costs are prohibitive for consumers and the government. While

⁸ “Gilead Sciences Announces Fourth Quarter and Full Year 2024 Financial Results,” February, 11, 2025, <https://investors.gilead.com/news/news-details/2025/Gilead-Sciences-Announces-Fourth-Quarter-and-Full-Year-2024-Financial-Results/default.aspx#:~:text=HIV%20product%20sales%20increased%208,by%20lower%20average%20realized%20price.>

⁹ Ibid.

¹⁰ Andrew W. Mulcahy, Daniel Schwam, Susan L. Lovejoy, “International Prescription Drug Price Comparisons,” Department of Health and Human Services, February 2024, 3: <https://aspe.hhs.gov/sites/default/files/documents/8e057b0a094e6f9b9d01171fce6698f4/international-price-comparisons.pdf>.

the two major political parties disagree on what causes high prices and which policies will make drugs more affordable, high prices is a salient issue for both. Gilead understands that in the current political environment, it will face scrutiny for how it uses the patent system to protect its biomedical innovations.¹¹ Sustained public criticism could provide the political impetus for regulatory and/or legislative changes that put downward pressure on pharmaceutical prices, making creative patent tactics even less worthwhile.

Past patent tactics by Gilead create reputational risks that could paint the Company as denying patients access to safer, more effective medications and instead pushing them toward older drugs to maximize profits before the exclusivity period expires. As referenced in the Proposal, a New York Times story detailed how the Company engaged in product hopping, the patent extension tactic whereby the manufacturer impedes generic competition by reformulating an older version of the drug, in this case Truvada, and delays releasing the new and improved patent-protected successor, as Gilead did with Descovy. The report suggests Gilead knew the older version could cause kidney damage and bone density loss in patients but still delayed the release of Descovy.¹² Gilead allegedly opted to maximize profits on an inferior product with declining earning power and paid a significant financial price. In *Holley v Gilead Sciences*, the Company agreed to a \$40 million dollar settlement in 2024 with 2,625 plaintiffs. Yet litigation has not ended; an estimated 22,000 plaintiffs remain.¹³ The company has a section on its website dedicated to pending tenofovir disoproxil fumarate (TDF) litigation in California.¹⁴ Gilead could face a rolling public relations crisis resulting from ongoing litigation and multiple settlement payments to plaintiffs for several years. Negative press coverage could make Gilead less attractive to potential investors. Delaying the release of Descovy was arguably not worth the public relations risk, let alone the indeterminate financial losses from prospective settlements.

We understand the tremendous expenditures and risks involved with drug development. The patent system protects those investments. The Proposal would not limit how Gilead protects its intellectual property. The Proposal merely asks Gilead to furnish a report that assesses how patent extension strategies could delay the Company from releasing biosimilars and breakthrough therapeutics, forestalling patient access to more effective and/or affordable treatments. The Company does not need a repeat of the Truvada/Descovy public relations hit. We are confident that shareholders will benefit from information on how time and resources devoted to patent extension tactics could undermine developing the next generation of medicines paramount to long-term revenue growth.

We therefore urge shareholders to vote FOR Proposal 6.

For more information, please contact Laura Boudreau, Chief of Operations, AIDS Healthcare Foundation, Laura.Boudreau@ahf.org

¹¹ Gilead Sciences 2024 10-K, 26.

¹² Rebecca Robbins and Sheryl Gay Stolberg, "How a Drugmaker Profited by Slow-Walking a Promising H.I.V. Therapy," *The New York Times*, July 22, 2023, <https://www.nytimes.com/2023/07/22/business/gilead-hiv-drug-tenofovir.html>.

¹³ Zoey Becker, "Gilead forks over \$40M to settle thousands of claims in web of litigation over alleged delay of safer HIV meds," *Fierce Pharma*, July 11, 2024, <https://www.fiercepharma.com/pharma/gilead-offers-40m-settle-federal-claims-wide-web-litigation-over-allegedly-delayed-launch>.

¹⁴ Gilead Sciences, TDF Litigation Before the California Supreme Court, <https://www.gilead.com/tdf-litigation>.

We are not asking for authority to vote your proxy. Nor will we accept proxy cards. Please vote your proxy according to the instructions in Gilead Sciences, Inc.'s proxy statement.