



NEWS RELEASE

Veeva Statement in Support of Proposed FTC Rule to Ban Non-Competes

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Non-competes stifle the U.S. economy, innovation, and employee rights

PLEASANTON, Calif., Jan. 10, 2023 /PRNewswire/ -- Consistent with its long-standing work to abolish non-compete agreements, **Veeva Systems** (NYSE: VEEV) today announced its support for the proposed Federal Trade Commission (FTC) rule to ban employee non-competes. As the FTC noted, the evidence is clear that the free flow of talent drives growth and innovation:

"...existing evidence indicates that noncompete clauses reduce innovation and competition in product and service markets. Studies show that locking workers in place reduces innovation, likely by decreasing the flow of information and knowledge among firms. By preventing workers from starting their own businesses and limiting the pool of talent available for startups to hire, noncompetes also limit entrepreneurship and new business formation. This in turn reduces product quality while raising prices."

For more than a decade, Veeva has worked against the use of non-compete agreements and fought to have them banned nationally. The company has never asked Veeva employees to sign non-compete agreements as a condition of employment and doesn't let an existing non-compete agreement stop it from hiring a qualified candidate. Veeva provides legal defense to employees sued by former employers trying to enforce this abusive and outdated practice.

The company strongly supports intellectual property (IP) rights, which are protected through confidentiality agreements and trade secret laws. Non-competes are not necessary for IP protection and only serve to limit employee mobility.



Veeva CEO Peter Gassner statement regarding proposed FTC rule to ban non-competes:

"The swift action to ban non-competes is an important step in advancing employee freedom, innovation, and the economy.

People have a fundamental right to make their own career choices. These decisions impact their livelihoods and professional growth and should not be dictated by lawyers and corporations. This is about trusting employees. No one is motivated to do their best work under a cloud of threats or when locked into a job.

The mobility of talent has created the most innovative companies in the world. Banning non-competes is good for business, innovation, and economic growth."

Veeva's Work to Abolish Non-Competes

2007: Veeva founded; takes stance to never ask employee to sign non-compete agreements

2013: First defense of a Veeva employee in a non-compete case; defended many since

2016: Publishes **stance against non-competes**; calls on leaders and legislators to take action

2017: Files a precedent-setting **non-compete lawsuit**

2021: Work to ban non-competes becomes part of Veeva's Public Benefit Corporation (PBC) focus

2021: Stance included in White House report on executive order to eliminate non-competes

2021: CEO outlines employee and economic benefits of proposed Federal action in **Medium article**

2022: Declares elimination of non-competes by 2030 as **a formal goal** of its PBC purpose

Visit veeva.com/noncompetes for additional resources and information on non-competes.

About Veeva Systems

Veeva is the global leader in cloud software for the life sciences industry. Committed to innovation, product excellence, and customer success, Veeva serves more than 1,000 customers, ranging from the world's largest pharmaceutical companies to emerging biotechs. As a Public Benefit Corporation, Veeva is committed to balancing the interests of all stakeholders, including customers, employees, shareholders, and the industries it serves. For

more information, visit **veeva.com**.

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