

This gender pay gap report was developed by Vertex in response to an initiative by the UK government that requires companies employing over 250 people to publish annual gender pay gap data. The gender pay gap is the difference between the mean (average) and median (middle point) hourly earnings of men and women across all jobs at all levels within one organisation. The figures show our mean and median gender pay gap based on hourly pay rates as of April 2020 using payroll data as the source. The mean and median bonus gaps, including cash bonuses and equity payments, are calculated using payroll data for the 12-month period as of 5th April 2020. The disclosure includes all UK staff in our London offices and the Oxford Research Site, as well as field-based employees.

Vertex's Equal Pay Commitment

It is important to remember that the **gender pay gap is not the same as equal pay**. Equal pay is the right of an individual to be paid equally for the same or similar work, regardless of gender. We can confirm that **men and women at Vertex in the same employment, performing equal work, receive equal rewards**.

We continue to build an outstanding, committed and passionate team at Vertex. We do our best work for patients when we foster a culture and environment

where all points of view are respected and heard. The diversity and authenticity of our people is part of what makes Vertex unique. We recognise that each employee brings diverse perspectives and strengths, and, by embracing those strengths and celebrating differences, we inspire innovation together.

We have a strong commitment to enhancing inclusion, diversity and equity (ID&E) at Vertex and are proud of the progress we have made globally in 2020:

Women at Vertex make up

53%

of employees globally



Four of our ten Board of Director members are women

38%

of our global leadership are women (Vice President and above)



45%

of our leadership in the UK are women (Vice President and above)



62.5%

of all promotions in the UK during the pay gap reporting period were for female staff

Vertex's UK Operations Gender Pay Gap

Gender pay gap figures reflect the April 2020 payroll for our UK operations. The figures show our mean and median gender pay gap based on hourly pay rates, using payroll data from the snapshot date of 5th April 2020. Mean and median bonus gaps, including cash

bonuses and equity payments, are calculated using relevant payments made through payroll from April 2019 to April 2020. There have been improvements in our gender pay gap figures since our last disclosure.



4.8%

median pay gap decrease, from **33.3%** to **28.5%**



2.33%

increase in female representation in the upper quartile, from **31%** to **33.33%**



1.6%

increase in our mean pay gap

This demonstrates that our policies are making a real difference for female representation in senior roles, and subsequently narrowing the gender pay gap. However, we also recognise that more needs to be done to close the mean and median pay gap that still exists. We anticipate the full effect of our efforts will be demonstrated over several years when the impact of long-term incentive payments are reflected.

As part of equality legislation in the UK, companies are expected to report specific metrics:



Mean & Median Pay Gap

The difference in hourly earnings of male and female full-pay employees



Mean & Median Bonus Gap

The difference in the average bonus paid to male and female employees



Bonus Proportion

The proportion of male and female employees who received a bonus

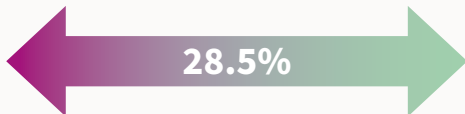


Quartile Pay Bands

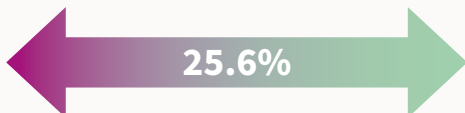
The proportion of male and female full-pay employees by quartile

Mean and Median Pay Gap

Median pay gap



Mean pay gap



Bonus Proportion

Proportion of male and female employees who received a bonus



Mean & Median Bonus Gap

36.3% Median bonus pay gap

47.2% Mean bonus pay gap

Quartile Pay Bands

Vertex pay quartiles

Lower quartile



66%



34%



55.3%



44.7%



Lower middle quartile

Upper middle quartile



48.9%



51.1%



33.3%



66.7%



Upper quartile

Historically, we have had more men than women in senior roles, and therefore we have a larger gap in bonus payments than in hourly pay. However, as women work their way through the organisation and their long-term incentives crystallise, we expect this gap to close organically.

How are we closing the Gender Pay Gap?

We recognise that gender is one aspect of ID&E. We have several initiatives and Employee Resource Networks (ERNs) available to our global workforce to represent our diverse employee base and ensure their voices are heard and represented across the organisation. In relation to gender, some of our key initiatives include:

Job descriptions

- Job descriptions are gender neutral and gender inclusive, and agencies are now contractually required to send us a diverse range of candidates for our roles. Our expectation is that we will have a diverse range of candidates for all recruitment activities

Selecting applicants

- We are developing tools to review the diverse characteristics of applications, and we continue to review talent mapping to further enhance our business
- We are developing tools to enable us to review applicants to help us identify those who have protected characteristics under the Equality Act 2010

Job interviews

- Steps have been taken to ensure we have gender equity on interview panels, and we provide training for hiring managers and interviewers on unconscious bias

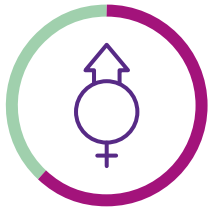
Unconscious bias training

- We have provided unconscious bias training to all Vertex employees, with manager-level and above receiving additional mandatory training

Female leadership positions

- The International Leadership Team regularly measures the number of female employees in Director-level positions and above and have targets which are reviewed monthly to track progress. We have made progress on this and will continue to ensure that our policies enable us to meet our targets

We remain committed to continually reviewing our workplace activities and opportunities to ensure that these remain fit for purpose and that equity of opportunity is available for all employees. In relation to gender, some key metrics include:



Female staff accounted for **62.5%** of all promotions in the UK during the pay gap reporting period



Globally, **56%** of our promotions were for female staff



50% of our Director-level and above hires in the UK were women during the reporting period



59% of global promotions at Director-level and above were for female staff

“At Vertex we recognise the importance in ensuring all employees are able to be their authentic self at work. While we can confirm men and women are paid equally for equal work, we understand that we, like other employers, continue to have a gender pay gap and are actively addressing this. I confirm the gender pay information and data reported for Vertex in the UK are accurate and have been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017.”

“The gender pay gap is something we take seriously – that’s why we’re continuing to take steps to actively address it, including increasing the number of women in leadership roles and measuring gender representation across all of Vertex’s locations.”



Ludovic Fenaux
Senior Vice President,
International Commercial Operations

“I am encouraged by the steps taken by Vertex to increase gender diversity across all our locations, particularly in leadership positions. Scientific innovation is at its best when we have a diverse workforce who come together to discover and develop therapies that may dramatically improve patients’ lives.”



Dr. David Price
Vice President and Site Head
for Oxford Research



Anne-Soline Thorndike
Vice President,
Human Resources
Business Partner