

2023 UK Gender Pay Gap Report

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 2023 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 prior to April 2023 as required under UK legislation. The disclosure includes all UK staff inclusive of our London offices and the Oxford research site, as well as field-based UK employees.

Vertex's Equal Pay Commitment

It is important to remember that the gender pay gap is not the same as equal pay. The UK gender pay gap disclosures look at the mean and median earnings of men and women within an organisation. Equal pay is the right of an individual to be paid equally for the same or similar work, regardless of gender. Vertex is committed to equal pay and ensuring our pay practices are free from bias.

Fostering Our Inclusive Workplace

Vertex has built a strong foundation of inclusion, diversity, and equity (ID&E), and we are committed to make even further progress. Our ability to create transformative medicines for people with serious diseases relies on both the diversity of our people and an inclusive and equitable culture that enables all people to thrive. We believe in this not only because it's the right thing to do, and it is, but because our business depends on it. We are the most innovative, make the best decisions for patients and build the highest performing teams when these values are embedded throughout our organisation.

We have made progress and recognise that achieving true excellence in ID&E takes a sustained push. We're committed to doing even more to promote gender equity, address gaps in representation and advance ID&E within our leadership team and across the organization. Fostering a culture in which everyone can bring their best selves because they feel — and are — valued for sharing their perspectives and challenging ideas enables us to continue to serially innovate and be better attuned to the needs and experiences of our diverse patient populations globally.

Below are a few key results which demonstrate our progress:



Women accounted for

56%

of all promotions in the UK during the pay gap reporting period



55%

of the global Vertex workforce are women



40%

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



54%

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



36%

of the Board of Directors are from underrepresented racial and ethnic groups, of which...

36%
are women

These diverse perspectives combined with decades of experience will be an important source of guidance.

Under UK law, companies are expected to report specific metrics:



Mean & Median Pay Gap

The difference in hourly earnings of men and women full-pay employees



Mean & Median Bonus Gap

The difference in the average bonus paid to men and women employees



Bonus Proportion

The proportion of men and women employees who received a bonus



Quartile Pay Bands

The proportion of men and women full-pay employees by quartile

Vertex's UK Operations Gender Pay Gap

Gender pay gap figures reflect the April 2023 payroll for our UK operations. The figures show our mean and median gender pay gap based on hourly pay rates, using payroll data from April 2023.

Mean and median bonus gaps, including cash bonuses and equity payments, are calculated using relevant payments made through payroll from April 2022 to March 2023 as required under UK legislation.

Median Pay Gap

15.18%
down 4.78% since our last disclosure

Mean Pay Gap

13.80%
down 1.58% since our last disclosure

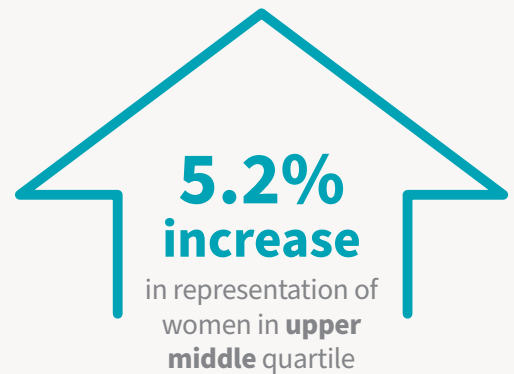
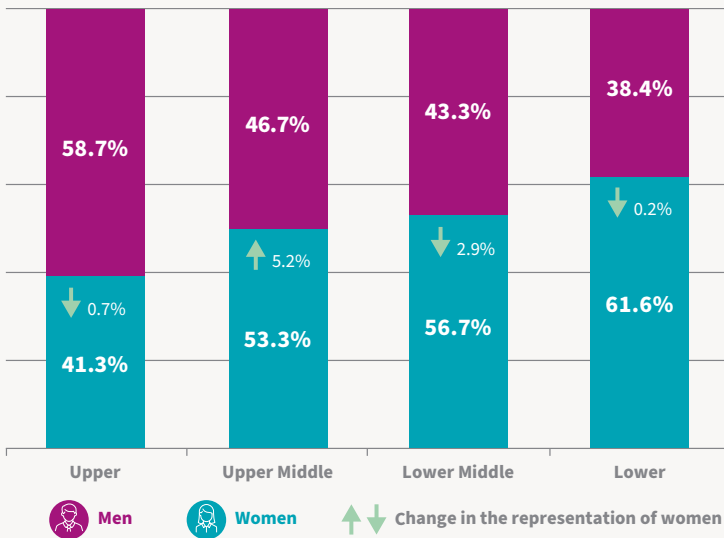
Median Bonus Pay Gap

33.91%
up 7.67% since our last disclosure

Mean Bonus Pay Gap

30.89%
up 6.77% since our last disclosure

Vertex Pay Quartiles



Proportion Between Bonuses for Men and Women



92%
received a bonus



87%
received a bonus

This year, we continued to make progress in reducing our hourly pay gap, however we saw the bonus pay gap widen.

All employees are eligible for a bonus except those hired in the last quarter of the year. Additionally, employees hired earlier in the year receive pro-rated bonuses based on their hire dates. Given more women than men were hired during the period of this analysis, more women received either no bonus or less than a full year's bonus impacting the bonus gap.

Our analysis also shows the primary reason for the increase in the bonus gap is due to more men than women exercising their stock options. We offered stock options at senior levels until 2019. During this time we had greater representation of men in our most senior roles, therefore more men than women hold legacy stock options. Our share price increased significantly during the 2023 reporting period and, since stock option income is intrinsically linked to share price growth, we saw an increase in longer tenured employees exercising these shares.

Our policies are making a real difference in successfully addressing the need for equal representation of women across all levels, and we remain committed to continuing our focused efforts in closing the gender pay gap.

How Are We Closing the Gender Pay Gap?

We have several initiatives which support our commitment to gender equity:

- Job descriptions are reviewed prior to posting to ensure that hiring language is inclusive. Recruitment agencies are contractually required to provide a diverse pool of candidates for positions and our recruitment goal is to have gender equity for each position.
- Our goal is to have at least one woman-candidate in the interview slate and one woman-interviewer for each role. We ensure all interviews are structured so all candidates have an equitable and competitive recruitment process.
- Our ID&E curriculum equips all employees with the skills, tools and resources needed to activate ID&E in daily interactions. The curriculum includes trainings in Unconscious bias, insider and outsider dynamics, and inclusive hiring. The recruiter curriculum and hiring manager training further emphasize inclusive hiring practices for talent acquisition, hiring managers, and hiring teams. In 2022 we also launched LEAD a manager excellence programme — for first time managers, increasing knowledge on ID&E matters.
- Our global Employee Resource Networks (ERNs) amplify the voices, insights and experiences of our colleagues from traditionally underrepresented groups. These employee-led groups strengthen community and belonging within Vertex across functions and levels, provide employees with access to peer and mentoring and professional development, and are a sounding board as we strengthen policies and programs.
 - One of our ERNs, IWILL (Inspiring Women in Leadership and Learning), seeks to strengthen Vertex's efforts in attracting, retaining, developing and enhancing the career satisfaction of women, contributing to their professional advancement.
- We invest in the career growth and development of all employees. In addition to providing resources which enable all employees to own their professional development — such as our Career Hub and Discover learning series — we spend time each year discussing our director level employees to ensure that they have individual development plans in place focused on professional growth.
- The International Leadership Team (ILT) regularly monitors our workforce data to ensure equitable representation across our organisation, leveraging data to inform inclusive processes and policies.



Anne-Soline Thorndike

Vice President Human Resources International

“ At Vertex we have built a culture with inclusion, diversity and equity at the core. Gender equity continues to be a leading priority for us and this year’s gender pay gap report demonstrates the excellent progress we are making. ”



Ludovic Fenaux

Senior Vice President, International Commercial Operations, Global Commercial Strategy and GIACO

“ It’s rewarding to see the progress we’re making to reduce the gender pay gap. Initiating change takes persistence and commitment to move the needle and I’m pleased to see our efforts are making an impactful difference as shown in this report.

Prioritizing gender equity has been central to our ID&E plans for some time and I am proud that we have created a workforce today with an equal gender divide. This great progress is a step in the right direction, but we appreciate there is more to do to ensure lasting change for the future. ”



Dr. David Price

Vice President and Site Head for Oxford Research

“ Our workforce is united in our mission to deliver transformative medicines for people living with serious diseases and I firmly believe scientific innovation thrives when we have a workforce that is truly diverse and equitable.

Gender equality continues to be a core focus of our STEM efforts and I am confident that this commitment to fostering more equal opportunities for girls and women in science and medicine will support further progress with the gender pay gap in the years ahead. ”

We confirm that the information contained in this report is accurate.