



# 2021 Corporate Responsibility Report



# About Vertex

We are a global biotechnology company that invests in scientific innovation to create transformative medicines for people with serious diseases. We have multiple approved medicines that treat the underlying cause of cystic fibrosis (CF) — a rare, life-threatening genetic disease — and several ongoing clinical and research programs in CF. Beyond CF, we have a robust pipeline of investigational small molecule, cell and genetic therapies in other serious diseases where we have deep insight into causal human biology, including sickle cell disease, beta thalassemia, APOL1-mediated kidney disease, pain, type 1 diabetes, alpha-1 antitrypsin deficiency and Duchenne muscular dystrophy. We strongly commit to operating our business responsibly and disclosing our progress to stakeholders on an annual basis. This report shares our ongoing work in corporate responsibility (CR) with a focus on 2021 programs and updates.



**1989 Founded**



**3,900 Employees<sup>1</sup>**



**3/5 Workforce  
Devoted to Research  
and Development**

This report contains photos of masked and unmasked individuals in full compliance with all local COVID-19 safety regulations.

<sup>1</sup> As of Dec. 31, 2021.



# Leadership Message

## Reshma Kewalramani, M.D., Chief Executive Officer and President

2021 was an important year for Vertex and one that has positioned us well for the future as we continue to discover, develop and commercialize transformative medicines for people with serious diseases. Our differentiated strategy, combined with our special culture, has enabled us to make significant advances in multiple diseases across our pipeline, to broaden access to our cystic fibrosis (CF) medicines to new patient populations across the globe, and to continue to support our communities and each other.

Among our 2021 achievements, we:

- Increased access to our CF medicines for thousands more patients through reimbursement agreements and provided our medicines to nearly 2,000 patients through our compassionate use programs
- Completed enrollment for our clinical studies in severe sickle cell disease and transfusion-dependent beta thalassemia, progressed our next generation triple combination therapy for cystic fibrosis into pivotal development, showed proof-of-concept in the clinic for APOL1-mediated kidney disease, and saw early results from the first patients in our type 1 diabetes trial
- Advanced our industry-leading cell and genetic therapies programs and completed construction on the Jeffrey Leiden Center for Cell and Genetic Therapies in Boston to support this work
- Supported our growing organization by prioritizing inclusion, diversity and equity (ID&E); enhancing benefits and career growth and development opportunities; and supporting programs that build enduring pathways into biotechnology for individuals from underrepresented backgrounds

- Expanded efforts to support clinical trial diversity and ensure equity of opportunity for participation
- Continued to integrate sustainability best practices in our operations, staying on track to meet our global target to reduce absolute greenhouse gas (GHG) emissions by 20 percent by the end of 2023 over a 2018 baseline, despite business growth
- Supported education, innovation and health in the communities where we are located through more than \$34M in charitable giving by Vertex and the Vertex Foundation

These achievements would not have been possible without our 3,900 employees, who represent a rich diversity of ethnicities, races, genders and gender identities, sexual orientations, backgrounds, experiences and beliefs. Year after year, Vertexians demonstrate their resilience and unwavering commitment to work together, innovate at our best and nurture our culture. In 2021, they continued to solve some of the most difficult challenges in science and medicine, which will enable us to bring transformative medicines to patients as quickly as we can.

As I look to the future, I couldn't be more confident in the contributions Vertex will continue to make to support the patients we serve, our communities and each other. I'm proud to share our 2021 achievements in this report — the result of many Vertexians, patients and our communities coming together to deliver remarkable results.



**Reshma Kewalramani, M.D.**

Chief Executive Officer and President



# Our CR Priorities and 2021 Progress At-A-Glance



## Improve the Lives of People With Serious Diseases

**>70%**

business operating expenses invested in R&D (GAAP)

**\$3.05B**

R&D investment (GAAP)

**3 out of 5**

employees work in R&D roles

**6**

disease areas in the clinic

**30+**

countries where our cystic fibrosis medicines are approved and reimbursed



## Foster an Ethical Culture That Embraces Innovation, Inclusion, Diversity and Equity

**100%**

employees completed our annual code of conduct training

**43%**

new hires are racial and ethnic minorities (U.S.)

**41%**

leaders vice president and above are women

**14**

Best Places to Work awards in the U.S.

**6 out of 10**

board directors are women or racial and ethnic minorities



## Carefully Manage Our Operations and Environmental Footprint

**19.7%**

reduction in absolute greenhouse gas (GHG) emissions since 2018

**100%**

renewable energy at our London and Oxford facilities

**62%**

total waste diverted from landfill

**73%**

square footage of our buildings are green certified



## Make a Positive Impact in the Communities Where We Are Based

**\$34M+**

charitable giving by Vertex and the Vertex Foundation

**1,450+**

employees volunteered during annual Day of Service

**1,971**

nonprofit organizations supported through Employee Matching Gift Program

**960+**

hours engaging with students through our virtual STEAM education programs

# Recognition Received for Our Efforts

## **Boston Business Journal**

Best Places to Work — #6  
Most Charitable Companies — #6

## **Boston Globe**

Top Places to Work — #8

## **BioSpace**

Inaugural Best Places to Work — #13

## **Points of Light The Civic 50**

One of 50 Most Community-Minded  
Companies in the U.S.

## **Fortune**

100 Fastest Growing Companies — #23

## **Human Rights Campaign's Corporate Equality Index**

100 score

## **JUST Capital**

Top 100 Companies Supporting  
Healthy Families and Communities

## **LinkedIn**

Top Companies in Boston — #21

## **Newsweek America**

Most Responsible Companies

## **San Diego Business Journal**

Best Places to Work — #7

## **Science Magazine**

Top Employers — #8

## **Seramount (previously Working Mother)**

100 Best Companies & 100 Best  
Companies for Dads

## **STEM Workforce Diversity Magazine**

Top 50 Employers for  
Workforce Diversity

## **The Commonwealth Institute**

Top 100 Women-Led Businesses  
in Massachusetts — #2

## **Woman Engineer Magazine**

Top 50 Employer





# Improve the Lives of People With Serious Diseases

At Vertex, we discover, develop and commercialize innovative medicines so that people with serious diseases can lead better lives. We invest heavily in scientific innovation and have several marketed medicines for the treatment of cystic fibrosis (CF), as well as a broad research and development (R&D) pipeline that targets additional disease areas where we have deep insight into the causal human biology, notably sickle cell disease, beta thalassemia, APOL1-mediated kidney disease, pain, type 1 diabetes, alpha-1 antitrypsin deficiency and Duchenne muscular dystrophy.

We fuel our success through serial innovation, an approach in which revenues and profits obtained from discovering and bringing one medicine to market are used to drive discovery and development of the next. Our 20+ year history in CF has informed this approach and exemplifies its principles.



Our strategy and business model are delivering a blueprint for serial innovation



# Our Research and Development Focus

We take a disease-first approach, addressing the human causal biology of serious diseases, with a focus on specialty markets. We invest in diseases where we can have a transformative impact for patients, not just an incremental benefit, and we work only on diseases where we have a deep understanding of the underlying cause in humans. By focusing on validated targets and creating predictive lab assays and identifying clinical biomarkers, we pursue therapeutic approaches that we believe are most likely to succeed. With our unique portfolio approach, we bring multiple compounds forward into the clinic and use clinical data to improve future drug development. This differentiated strategy and approach greatly increases our odds of success in discovering and developing potentially transformative medicines for patients.

We are modality agnostic; we will build, acquire or partner to get the tools and technologies we need to treat a disease. Today our pipeline spans multiple modalities, even within the same disease area, including small molecules and cell and genetic therapies.

Our unique approach to building drug discovery programs maximizes our chances of creating therapies that may dramatically improve patients' lives. Vertex is one

of only a handful of companies that has internally discovered, developed and commercialized five innovative medicines<sup>1</sup>.

Vertex invests heavily in innovation, with three out of five of our employees dedicated to R&D. We have four approved medicines to treat CF; the latest of which has the potential to treat the underlying cause of the disease in up to 90 percent of people with CF, and we continue to advance potential treatments to reach the last 10 percent.

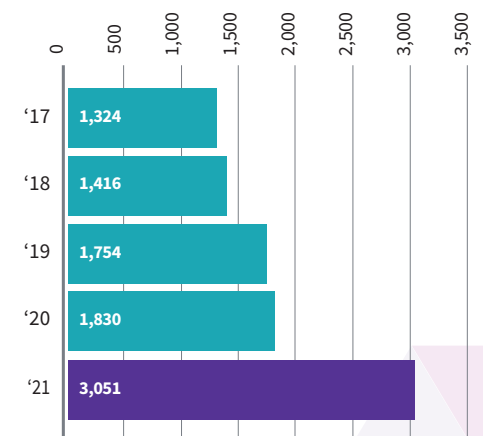
We apply the same relentless drive that enabled our rapid progress in CF to a broader set of serious diseases. We have a robust pipeline of investigational therapies in sickle cell disease, beta thalassemia, type 1 diabetes, APOL1-mediated kidney disease, alpha-1 antitrypsin deficiency, pain and Duchenne muscular dystrophy. In 2021, we completed enrollment for our clinical studies in severe sickle cell disease and transfusion-dependent beta thalassemia, showed proof-of-concept in the clinic for APOL1-mediated kidney disease, and saw early results from the first patients in our type 1 diabetes trial. We advanced our next generation triple combination therapy for CF into pivotal development and continue to progress proof-of-concept studies in acute pain.

## We Are Advancing a Broad and Deep Pipeline Across Multiple Modalities<sup>2</sup>

		RESEARCH	PHASE 1	PHASE 2	PHASE 3	PHASE 4
<b>Cystic Fibrosis</b>	VX-121/tezacaftor/VX-561 (Small Molecule)					
	Additional Small Molecules					
	CRISPR/Cas9					
	mRNA Therapeutics					
<b>Sickle Cell Disease</b>	CTX001 (CRISPR/Cas9)					
	Small Molecule					
<b>Beta Thalassemia</b>	CTX001 (CRISPR/Cas9)					
	Small Molecule					
<b>Pain</b>	VX-548 (Nav1.8 inhibitor)					
	Additional Small Molecules					
<b>APOL1-Mediated Kidney Disease</b>	VX-147					
	Additional Small Molecules					
<b>Type 1 Diabetes</b>	VX-880 (Cell Therapy)					
	Encapsulated Islet Cells					
<b>Alpha-1 Antitrypsin Deficiency</b>	Small Molecules					
	Duchenne Muscular Dystrophy					
	CRISPR/Cas9					

## R&D Investment (GAAP)

2017-2021 (in USD millions)



<sup>1</sup> Among biotech companies founded since 1976, as of December 2021.

<sup>2</sup> There is no guarantee that the investigational compounds listed will be approved by a Health Authority or will be marketed. Safety and effectiveness of investigational medicines have not been established.



#### Investing in Cell and Genetic Therapies (C&GT)

C&GT programs are essential to our R&D strategy. By investing in internal research and external partnerships and collaborations, we've identified and harnessed cutting-edge cell and genetic therapy technologies with the potential to address the underlying cause of multiple serious diseases in our pipeline. We have ongoing clinical trials in three diseases with gene editing or cell therapy technology as a result of these successful acquisitions and collaborations and are poised to enter the clinic with additional approaches in the next year.

To support this work, we completed construction on the Jeffrey Leiden Center for Cell and Genetic Therapies (Leiden Center) in Boston, a new state-of-the-art facility where our research teams will bring together the best biology, technologies and enhanced manufacturing capabilities to bring these cutting-edge transformative therapies to patients as safely and quickly as possible.

**256,000**

square foot state-of-the-art cell manufacturing center and research site in Boston

**~\$3B**

invested to acquire product candidates and foundational enabling technology, and hire people with expertise in C&GT

**400+**

employees currently working on C&GT programs





# Access to Medicines

Our aim is for Vertex medicines to be accessible to as many patients as possible around the world. Our medicines are currently approved and reimbursed in more than 30 countries globally, benefiting tens of thousands of patients on five continents, and we are working to expand sustainable access to Vertex CF medicines across countries, age groups and mutations.

Securing approval and access for patients with complex, chronic conditions like CF has many challenges. CF is a lifelong condition. Patient care and essential treatment must be maintained over the long-term, and it is vital that people with CF can rely on, and be confident in, the continued supply of their medication.

By working collaboratively with various stakeholders in many countries, patients have access to our medicines through a range of routes, including fully reimbursed commercial access, individual named patient sales and compassionate use. In 2021 alone, we achieved over 25 new reimbursement agreements for our CF portfolio outside of the U.S., and, over the past two years, we more than tripled the number of people living with CF with access to a CFTR modulator therapy. The vast majority of these agreements include access to our triple combination therapy.

Patients across the U.S. have broad access to our medicines through private and public insurance, and through Vertex Guidance & Patient Support™ (GPS) we have assistance programs in place for eligible patients who need additional help, including providing free medicine to patients who do not have insurance and meet certain criteria. We've established compassionate use programs for our CF medicines in countries where there is a path for sustainable access to help those who are critically ill and serve as a bridge to approval and reimbursement. In 2021, Vertex provided medicines at no cost to nearly 2,000 patients globally through this program while many others transitioned to commercial access through new reimbursement agreements.

While significant progress has been made, we remain committed to work with all relevant stakeholders to make our medicines accessible to more people with CF around the world.



**30+**  
countries where  
our CF medicines  
are approved and  
reimbursed

# Engaging With Patient Communities

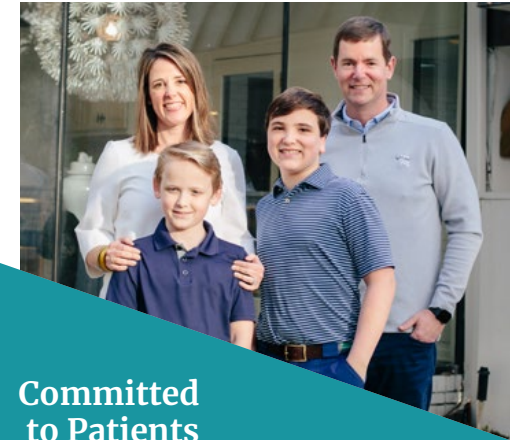
We are relentless in our pursuit to create transformative medicines for people with serious and life-threatening diseases. We recognize the importance of going beyond R&D to engage in advocacy, awareness and community support. It's why we're committed to engaging with patient organizations around the globe — to ensure our work is always centered on addressing the experiences of people with serious diseases, their caregivers and families.

We know that understanding the first-hand experiences of patient communities helps move science forward. We maintain an open dialogue with patients to develop insights that inform our mission. These interactions enable us to learn from patients and represent their voice within our work.

We continue to support CF programs and initiatives in the countries where we operate to educate health care professionals, strengthen R&D, raise disease awareness, and provide support to nonprofit organizations. One example of this is our Circle of Care program, a global competitive grant opportunity that awards up to \$1M annually to innovative patient-centric programs that support people with CF to live fuller, more engaged lives.

For the disease areas in our pipeline, we are deeply committed to understanding the challenges and unmet needs of patients and patient communities. In 2021, we sponsored the Sickle Cell Community Consortium's Warriors Convention and Caregivers Summit and became a founding member of the Sickle Cell Disease Partnership. In beta thalassemia, we work closely with Cooley's Anemia Foundation, the Thalassemia International Federation and other community partners to raise awareness and improve understanding of the disease.

We recognize that correctly diagnosing serious diseases and understanding potential treatments is critical to patient care. We are a leading sponsor of the American Kidney Fund's Unknown Causes of Kidney Disease Project, which seeks to improve understanding of how undiagnosed and misdiagnosed causes of kidney disease directly impact patient care and outcomes. And, in type 1 diabetes, we are the inaugural sponsor of the JDRF Clinical Trial Connection Program, an initiative that provides educational resources and connects people living with type 1 diabetes with clinical trials that are actively recruiting participants.



## Committed to Patients

Through the Vertex Patient Commitment, we strive to:

- Put patients first and at the center of everything we do
- Communicate clearly, accurately, honestly and transparently
- Listen and learn from patients and caregivers about their experience living with a serious disease and apply these insights to our work
- Respect the unique, independent voice of patient organizations and the individuals they represent
- Support initiatives that help patients to live a full and engaged lifestyle
- Encourage and provide opportunities for Vertex employees to engage with patient communities

# Increasing Health Equity

As we enter new therapeutic areas and engage with new and diverse patient populations, we recognize the painful history of racism and the historical mistreatment of communities of color that has contributed to systemic health inequities in many parts of the world. Removing systemic barriers to equitable health care must be prioritized to close the gaps in health care research, access, quality and patient outcomes for Black and other underrepresented communities.

## Diversity, Equity and Inclusion in Clinical Trials

Clinical trials should be representative of all people living with a specific disease. Ensuring appropriate diversity in participant characteristics helps us to develop and deliver innovative medicines that can make a meaningful difference in the lives of all people living with that disease. We recognize that individuals may respond differently to a given treatment based on their age, biological sex, weight, race, ethnicity, geography and other factors. By providing equitable access to and including people from diverse backgrounds and locations, clinical trials can show if the treatments are safe and effective across patient populations.

Our aim is to sponsor inclusive clinical trials that represent the diversity of people living with the disease. We have an internal initiative to embed the patient voice into our clinical research areas. For diseases like sickle cell disease and APOL1-mediated kidney disease, which largely impact communities of color, we work with patient advocacy groups to create organizational changes in the way we engage with patients and develop clinical trial education and awareness materials that resonate with each unique patient community. In disease areas with broader prevalence, such as pain and diabetes, we seek insights from patients who come from varied demographic backgrounds, engage with partners to select trial sites in



strategic areas, and offer recruitment materials in a variety of languages to provide an inclusive space for patients from historically underrepresented groups.

Ensuring equity of opportunity for participation in clinical trials is a core component of how we are maximizing our awareness, education and enrollment efforts. As we work to make our trials more convenient and accessible to all eligible patients, we will continue to ramp up decentralized clinical trial strategies, including virtual visits and home delivery of study medications.



# Foster an Ethical Culture That Embraces Innovation, Inclusion, Diversity and Equity

We are the most innovative, make the best decisions for patients, and build the highest performing teams when our employees are supported and inclusion, diversity and equity (ID&E) are embedded throughout our organization.

We recognize that achieving true excellence in ID&E requires investment and commitment at all levels.

## ID&E Strategic Priorities



**Inclusion** — Equip all Vertexians with the skills and resources to activate and live ID&E in their day-to-day interactions and decisions



**Diversity** — Invest to address gaps in representation in our talent pipeline, with a focus on racial, ethnic, cultural and gender equity



**Equity** — Embed inclusive and equitable practices throughout the employee experience



# Workforce Diversity

Equitable representation in our workforce and leadership teams, reflective of the diversity in our local areas and the patient communities we aim to serve, is critical to our success. We are committed to intentionally increasing diversity throughout our global organization and to providing greater transparency into our workforce demographics. In 2021, we published our most recent [U.S. Federal Employer Information Report](#), known as EEO-1, and an [ID&E Fact Sheet](#).

We signed Business in the Community's Race at Work charter in the U.K., which outlines five calls to action for organizations committed to improving equality of opportunity in the workplace. To further support our understanding of workplace demographics outside of the U.S., we launched the U.K. Ethnicity Metrics initiative in 2021, a voluntary reporting program which will enable us to better understand the ethnic makeup of our U.K. workforce and create programs and policies that are inclusive of everyone who works at Vertex.

## Increasing the Diversity of Our Talent Pipeline

We partner with numerous organizations to design and provide early career programs that help us nurture a diverse pipeline of talent and expand our outreach to communities that have been traditionally underrepresented in biotechnology careers. Key partners for this work include Bottom Line, the Boston Private Industry Council (PIC), Biomedical Science Careers Program, The Consortium, Thurgood Marshall College Fund, FourBlock and Hack.Diversity, among others. In collaboration with Boston-based Year Up, we launched a first-of-its-kind biotechnology program that helps young people of color prepare for future careers in research, development and medicine. The first class of 10 young adults joined Vertex in July 2021 for a paid, six-month internship and of those, eight were hired as full-time employees in 2022. Other Vertex programs that build enduring pathways into biotechnology for individuals from underrepresented backgrounds include robust summer internships, co-op and industrial placements, and several flagship initiatives such as the Vertex Fellows, Physician Investigators, PharmD Fellowship and MBA Summer Associate programs.

We recently conducted a thorough analysis of job descriptions across the company and challenged ourselves to systematically re-evaluate the skills required for each role. By using a skills-based approach and removing preferred qualifications where appropriate, we're making jobs accessible to anyone with the relevant skill sets. As a result, approximately 10 percent of our jobs no longer require a four-year degree.



## New hires in 2021

**1,000+**  
employees hired

**54%**  
are women

**43%**  
are racial and ethnic  
minorities (U.S.)

## Board of Directors

**40%**  
are women

**40%**  
are racial and ethnic  
minorities

# Creating An Inclusive Culture

We focus on increasing connectivity across Vertex, developing inclusive leadership skills in all our people, and fostering a culture in which everyone can do their best work because they feel, and are, valued for their perspectives and unique differences. Some of our ongoing workplace ID&E efforts include:

## Employee Resource Networks

We have four global employee resource networks (ERNs) that strengthen community and belonging within Vertex across functions and levels:

### BRAVE

Recognizes the veteran and first responder community and promotes the unique talents of these employees

### IWILL (Inspiring Women in Leadership and Learning)

Seeks to strengthen Vertex's efforts in attracting, retaining, developing and enhancing the career satisfaction of women and contributing to their professional advancement

### VIBE (Vertex Includes Boundless Ethnicities)

Supports the empowerment and growth of our racially and ethnically diverse employees as leaders, building a diverse community based on trust and respect

### Vertex PRIDE

Supports, provides visibility of and celebrates our LGBTQ+ employees and allies

In 2021, members from VIBE and PRIDE expanded our ERN reverse mentoring program to our international region where executives participated in a program with ERN mentors to build awareness of the barriers faced by underrepresented groups and support leaders to become allies and powerful advocates for inclusion.

## LIVE ID&E Learning Portfolio

We recognize that in order to embed ID&E throughout our organization, employees need the space and resources to listen, learn and advance their fundamental understanding of what it means to **LIVE ID&E** at Vertex. We have a comprehensive learning portfolio to enable this work that focuses on three learning outcomes: establishing awareness and shared language; building empathy and strengthening belonging; and equitably developing talent.



## ID&E Week

ID&E is key to our culture at Vertex. And while there's not just one week in which we talk about these concepts, ID&E Week is special because it provides time for everyone in the company to pause and reflect, learn something new and connect with colleagues on the important role ID&E plays in our business, culture and communities.

In 2021, we celebrated our fifth annual ID&E week which focused on strengthening belonging through a combination of Vertex-led panels and external speakers.

## 2021 ID&E Week

# 3,080+

logins to virtual  
ID&E Week events



# Supporting Employees

We are relentless in our pursuit to create transformative medicines so people with serious diseases can lead better lives. Despite the ongoing challenges of COVID-19, we stayed true to the Vertex culture and values and continue to find ways to deliver for the patients who are counting on us.

As we look to the future, we are harnessing new ways of working through our new approach — “Flex @ Vertex” — which emphasizes flexibility while still enabling teams to thrive and deliver on our mission to serve patients. More than ever, we continue to recognize work is integrated into life, and that we need to think outside traditional work arrangements. Our new way of working includes designations for on-site, hybrid and remote work. These designations were identified through a comprehensive review of roles, by job family and type of work, to ensure a consistent and equitable approach.

To promote our employees’ continued well-being and development, we offer a variety of inclusive benefits and opportunities including:

- An equity compensation program for all regular, full-time employees in every country where we operate
- An employee stock purchase program
- A competitive 401(k) plan for U.S. employees
- Up to 12 weeks of 100 percent paid Bonding Leave for all new parents in the U.S., regardless of caregiver status
- A minimum of 18-20 weeks of 100 percent paid leave for U.S. employees who give birth

- Up to 12 weeks of 100 percent paid leave for U.S. employees to care for a family member with a serious health condition
- A tuition reimbursement program
- Student loan repayments, matching employee student loan payments up to \$10,500
- Numerous mind, body and well-being resources to manage stress and anxiety, work and productivity levels, sleep and overall physical health
- Financial counseling via a digital platform and one-on-one sessions
- Recognition and competitive rewards, including our annual cash incentive program and an employee-nominated awards program to recognize colleagues demonstrating our core values and making a positive impact on the Vertex culture

We continually update our work-life benefits and add new ones to be more inclusive of all Vertexians. In 2021, we introduced additional support for starting a family, building on existing fertility and family-building benefits, and expanded gender-affirming services.

Twice annually, we administer companywide pulse surveys to seek feedback directly from Vertexians and measure engagement and satisfaction. In June, our employee satisfaction score was six points higher than our industry benchmark and showed that employees continue to feel a strong sense of belonging at Vertex.



Our employee satisfaction score is six points higher than our industry benchmark

# An Ethical Culture for Employees and Suppliers

We are committed to operating our business in a responsible manner and expect all managers, employees, contractors and agents to be accountable for our culture of inclusion, transparency and integrity. Our Code of Conduct provides guidance on how to live these values, in areas such as human rights, protection of personal data, financial integrity, commitment to communities and environmental sustainability. We expect employees to comply with our Code of Conduct and all associated policies, procedures, guidelines and trainings. If we become aware of violations of law or Vertex policy, we investigate the matter and, where appropriate, take disciplinary action and implement corrective measures to prevent future violations. All employees are required to complete an annual [Code of Conduct](#) training to reaffirm our mutual commitment. We recognize that an effective compliance program must evolve and respond to the changing

circumstances of the company and its environment. To this end, we are committed to continuous improvement based on regular reviews and assessments of the regulatory and business landscape.

As a member of the Pharmaceutical Supply Chain Initiative (PSCI), we support the PSCI Principles and work with our peers to achieve a vision of better social, health, safety and environmental outcomes. Our [Supplier Code of Conduct](#) outlines expectations that suppliers share our commitment to high ethical standards and behavior and defines the expectations they should have of us. Suppliers interested in providing goods and services to Vertex must agree to the Supplier Code of Conduct prior to starting a commercial relationship with the company.

## Our Core Values:

UNCOMPROMISING  
COMMITMENT  
TO PATIENTS

FEARLESS  
PURSUIT OF  
EXCELLENCE

WE WINS

INNOVATION <sup>is</sup> Our  
LIFEBLOOD

# Supplier Diversity

Vertex is proactive in increasing relationships with small and diverse suppliers, including minority, women, LGBTQ+, veteran and service-disabled, among others. These small and diverse businesses strengthen and drive stability in communities and provide us with a more resilient, competitive and innovative supply chain. In 2021, 19.5 percent of our impactable spend<sup>1</sup> in the U.S. was directed to small businesses, exceeding our 13.6 percent goal.

In 2021, Vertex's Strategic Sourcing team conducted a supplier diversity roadshow for key functional areas to provide an overview of Vertex's program, its benefits and how each team can advance our supplier diversity program. Since 2013, the Supplier Diversity program has grown its small business spend by more than 300 percent through various grassroots sourcing efforts, and we have plans in place to implement new goals and governance to enhance and mature our program in 2022.

Vertex participates in programs and invests in platforms that support small and diverse suppliers in our communities, such as:

- Diversity Alliance for Science (DA4S)
- HELIX Supplier Diversity Forum
- Pacesetters
- Massachusetts LGBT Chamber of Commerce
- Subscribing to a robust search platform that helps us identify small and diverse suppliers for upcoming projects



**19.5%**  
of our impactable spend in  
the U.S. was directed to small  
businesses in 2021

<sup>1</sup> For the 2021 U.S. gov. fiscal year (Oct. 1, 2020-Sep. 30, 2021)



# Carefully Manage Our Operations and Environmental Footprint

We believe in operating responsibly, practicing environmental responsibility, considering climate change risks in our operations, and maintaining a safe workplace for our employees to positively contribute to healthy communities and economies. We limit our environmental impact by integrating sustainability best practices and adhering to operational excellence in our global operations.

Our business is growing, and we continue to take actions across our operations to minimize our environmental footprint and ensure the highest standard of workplace health and safety. We implement a global approach that focuses on reducing our greenhouse gas (GHG) emissions, conserving water, reducing waste, adopting green chemistry practices and promoting safety. Our Environmental, Health, Safety and Sustainability (EHSS) team, along with an internal, cross-functional Sustainability Committee, oversees and implements these efforts in accordance with [Vertex's commitment to sustainability, health and safety](#).



The Leiden Center's high-efficiency solar installation in the Boston Innovation District is set to be one of the largest roof-bound arrays in the city



# Sustainable Buildings

Managing our facilities responsibly presents the best opportunity for us to reduce our environmental footprint; so, when we build or retrofit buildings, we do it with a long-term view, utilizing green construction practices and incorporating state-of-the-art efficiencies. In 2021, Vertex completed construction on our new Leiden Center in Boston, which incorporates sustainability in all aspects of its construction and design. The building is intended to be U.S. Green Business Council LEED Platinum certified for Interior Design and Construction, V4, which, if received, would make it the first biotech manufacturing site to achieve this certification in Massachusetts.

Our Boston headquarters and San Diego facility are both LEED Gold certified. In 2021, our Dublin and Paris facilities earned SKA accreditation, and our Paris and Sydney

offices received Fitwel ratings. SKA and Fitwel support sustainability and employee health and well-being throughout a building's design, construction and use.

As part of our Boston headquarters renovation effort that kicked off in 2021, we initiated efforts to minimize waste generated from construction in alignment with LEED standards. We anticipate that these renovations and our new flexible work arrangements will allow us to delay the need for additional space at our Boston headquarters by more than two years and reduce overall energy consumption per employee by 20 percent annually. We also donated office furniture and supplies that were no longer needed to local schools and nonprofits in Boston and in Oxford, U.K., resulting in more than 28 metric tons diverted from landfill.

## Green Buildings Around the World

### **Boston Leiden Center**

Targeting LEED Platinum certification

### **San Diego research facility**

LEED Gold certified

### **Oxford research facility**

100% renewable energy

### **Dublin**

SKA accreditation

### **Paris**

SKA accreditation

Fitwel 3 Star rating

### **Sydney**

Fitwel 2 Star rating



### **Boston headquarters**

LEED Gold certified



### **London**

#### **(International headquarters)**

100% renewable energy,  
Excellent BREEAM rating

# Reducing Emissions

We are committed to doing our part to mitigate climate change by managing our GHG emissions: setting ambitious targets, closely tracking our emissions, achieving reductions and reporting progress. Vertex has a global target to reduce absolute GHG emissions by 20 percent by the end of 2023 over a 2018 baseline, which we consider aligned with the science-based targets initiative. This builds upon our previous achievement of reducing our absolute GHG emissions by 37 percent from 2015 to 2019. We continue to make progress toward our 2023 goal with a 19.7 percent reduction in absolute GHG emissions as of December 31, 2021.

Using Greenhouse Gas Protocol guidance, we determined that our total 2020 Scope 3 emissions were 206,332 MT CO<sub>2</sub>e. This calculation includes emissions categories that we consider most relevant to our business including purchased goods and services, capital goods, fuel and energy-related activities, upstream transportation and distribution, waste generated in operations, business travel, employee commuting and upstream leased assets. We plan to report Scope 3 on an annual basis starting in the 2022 reporting year.

Energy use is a primary driver of our emissions, so energy management is a key aspect of our reduction strategy. The Leiden Center in Boston was designed to maximize energy efficiency and will feature a new solar array on an adjacent property that will supply up to 15 percent of the electricity demand for the facility. Our international headquarters in London and our Oxford, U.K., facility both source 100 percent renewable energy, and our LEED Gold certified San Diego facility is equipped with solar panels.

## Assessing Climate Risk

We conducted a climate risk assessment to identify, assess and quantify our climate-related risks and opportunities. Vertex is relatively unexposed to transition risk, or the risk to our business associated with the transition toward a lower-carbon economy, out to 2030. Our greatest climate risks can be attributed to the location of our facilities in Boston's Innovation District; however, we believe that our existing flood mitigation processes including waterproofing, watertight doors, storm-resistant glass and flood barriers are sufficient to counteract wind and rain events across our facilities.

We communicate our climate change risks and associated opportunities through the CDP Climate Change Disclosure, which is aligned with the recommendations of the Task Force on Climate-related Financial Disclosure (TCFD). In 2021, we received a B score.

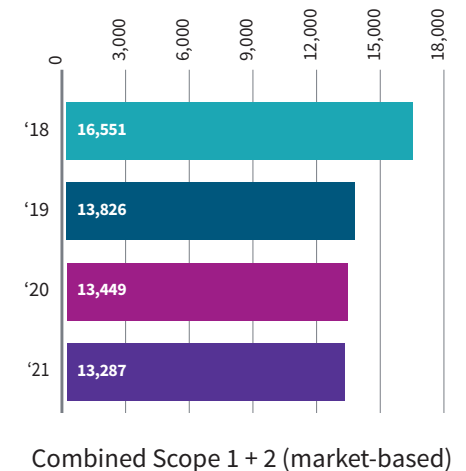
### 19.7%

reduction in absolute greenhouse gas (GHG) emissions since 2018

### 100%

renewable energy in our London and Oxford facilities

### Global GHG Emissions<sup>1</sup> GHG Footprint (MT CO<sub>2</sub>e)



<sup>1</sup> ERM CVS provided limited assurance of Scope 1 GHG emissions, Scope 2 (market-based) GHG emissions and total emissions (Scope 1 and Scope 2 market-based) data for 2018-2021. Assurance information for 2018-2020 can be found in the associated QCR reports. The 2021 ERM CVS Assurance Statement can be viewed at [www.vrtx.com/responsibility/policies-positions-and-reports](https://www.vrtx.com/responsibility/policies-positions-and-reports).



# Engaging Employees in Environmental Sustainability



Approximately  
**300**  
employees engaged with  
Earth Day activities

A key component of our sustainability strategy is engaging employees through our Green Teams — four employee-led groups in Oxford, U.K., San Diego, Boston and our International region. These teams lead grassroots initiatives to build employee awareness and promote sustainable practices including waste minimization and sustainable procurement across our research labs and offices.

Our Green Teams organized a variety of virtual events to celebrate Earth Day 2021, encouraging employees in 11 countries to take individual actions to support the environment. Vertex matched each employee action with a tree planting, resulting in more than 1,000 new trees planted in honor of the event.

We have several programs in place that help employees reduce their impact when they're not in the office. In 2021, we provided €250 eco-vouchers to all employees in Belgium for use toward the purchase of ecological goods and services. Our London and Rome facilities provide green allowances for hybrid or on-site employees who commute via public transportation. In 2021, we introduced green allowances in Oxford, U.K.

In San Diego, we were recognized by iCommute/SANDAG as a Diamond Awards recipient at the Platinum level for the fourth year in a row. The iCommute Diamond Awards recognize employers in the region who have made strides to promote alternative commuting choices in the workplace as a means to reduce traffic and GHG emissions.

## Managing Water and Minimizing Waste

Through lean and efficient manufacturing processes, we focus on reducing water use and waste year over year. In 2021, we began water stewardship assessments at our three largest sites to detail the volume and sources of water consumption in our laboratory and manufacturing operations. These assessments will help us identify areas where we can reuse or recycle water and further reduce our water usage.

Across our global facilities we find innovative ways to drive efficiencies and continually reduce our waste. The new Leiden Center is expected to repurpose at least 80 percent of its medical biowaste per year, and we have continued to expand vendor takeback programs and improve product distribution processes to reduce waste across the organization. Other examples include:

- Buying in bulk, where possible, to avoid individually wrapped laboratory consumables
- Introducing bins made from recycled paper in our laboratories to reduce the amount of plastic sent to incineration

- Partnering with a vendor to sanitize plastic disposables, such as petri dishes, pipette tip boxes and used personal protective equipment (PPE), and converting it into sustainable materials like plastic lumber for use in landscaping, construction and other markets
- Implementing local distribution warehouses in our international region to minimize packaging and transport miles
- Using an innovative chemical solvent distribution system in Boston and San Diego to reduce the waste associated with transporting and storing solvents in multiple laboratories

# Green Chemistry

Vertex is committed to reducing the environmental impact of drug discovery. Our Green Chemistry initiatives include efforts to understand, reduce and minimize the environmental impact of Vertex therapies. In 2021, we produced two significant innovations:

- A high throughput approach that uses robotic automation to generate nanoscale amounts of thousands of new molecules, minimizing the time and materials required to generate new compounds
- A tool to measure the environmental impact of our medicines so that we can improve efficiencies and reduce waste in the manufacturing process

Vertex is a member of the American Chemical Society's Green Chemical Initiative Pharmaceutical Roundtable. We promote the use of the holistic 12 principles of green chemistry, which include the efficient use of renewable raw materials, elimination of waste, and avoidance of toxic and hazardous materials. We celebrated Green Chemistry Month in November by encouraging scientists in our Oxford, U.K., facility to assess the impact of the different components of their reactions during the synthesis of key molecules to support more green chemical reactions.

## Our Safety Culture

### 0.21

Total Recordable  
Incident Rate  
(TRIR)<sup>1</sup>

Vertex's proactive safety culture focuses on accident prevention through diligence, shared accountability and thoughtful reflection. We strive to offer our employees, contractors and visitors a healthy and safe work environment and continually seek ways to improve these standards and incorporate industry best practices. In 2021, our total recordable incident rate and days away, restricted or transferred remained extremely low compared with industry benchmarks.

### 0.05

Days Away,  
Restricted or  
Transferred  
(DART)<sup>1</sup>

Vertex invests in education, awareness, monitoring and prevention programs to help recognize and mitigate safety hazards. In 2021, all senior leaders at our Oxford, U.K., research site completed the Institution of Occupational Safety and Health's Safety for Executives and Directors, a one-day health and safety training course for those who have overall operational or strategic accountability for an organization, and our on-site safety representatives received additional training on health and safety management.

<sup>1</sup> Per 200,000 hours worked.



## Promoting Health and Safety in Our Workplace

Protecting employees, patients and communities while ensuring that our medicines get to the patients who need them remained a top priority in 2021. Our ongoing COVID-19 safety measures and actions are driven by science, data and thoughtful policy approaches, as well as empathy and compassion for those who are at particular risk from the virus. These measures and actions include:

- 24/7 COVID-19 response and support for employees through our global Occupational Health team
- On-site COVID-19 and flu vaccination clinics at our major U.S. sites
- Free testing for employees and immediate adult family members globally via at-home tests or reimbursement; weekly voluntary testing at all major sites in the U.S.
- Continued flexible work arrangements for employees
- Continued enhanced cleaning and sanitation protocols and adherence to mask wearing and physical distancing in accordance with local regulations

## Examples of Our Safety Program:



### NEAR-MISS REPORTING

In our U.K. research facility, we have installed tablets outside our laboratories so that employees can easily report near misses and raise any potential safety concerns before they turn into problems.



### ENGINEERING CONTROLS

We incorporate engineering controls into the design of our laboratories and manufacturing centers wherever possible to protect our employees from hazards. As an example, our Leiden Center features error proofing for all compressed gases.



### ERGONOMICS

Occupational health professionals are available to recommend practices that prevent injuries to scientists who spend long periods on their feet or work at multitiered stations. We provide comprehensive training and assessment tools to support employees who work at desks.



### CONTINUOUS MANUFACTURING

Our uninterrupted production line increases worker safety by reducing the number of steps and material transfers when compared to batch production. Vertex was the first company to obtain FDA approval for a fully continuous tableting drug manufacturing process.

## Research Ethics

We discover, develop and deliver innovative therapies for people with serious diseases. To fulfill our commitment to patients, our employees and all our stakeholders, we conduct scientific research in accordance with three ethical principles outlined in [Vertex's Commitment to the Ethical Conduct of Scientific Research](#): Respect, Excellence and Integrity.

Given that Vertex continues to be at the forefront of research to bring new technologies and therapeutic modalities to patients, including stem-cell derived therapies and CRISPR/Cas9 gene editing, our ethical framework is also applied to research involving materials from human tissues, genetic research and animal research, as well as our guidelines for maintaining the scientific integrity of data.

### Our Research Ethics Principles:

**RESPECT** refers to holding the source and subject of any material or information in high regard, including human materials, genetic information, and the use of animals and/or animal materials.

**EXCELLENCE** refers to maintaining the highest professional standards in all aspects of our work, including adhering to all applicable laws and regulations, codes of professional responsibility and accepted research practices.

**INTEGRITY** refers to honesty, accuracy, objectivity, traceability and lack of corruption of methods and data. The ability to independently reproduce results and/or reconstruct a study is critical to ensuring the integrity of data.





# Clinical Trial Safety, Ethics and Oversight

Clinical trials, and the participants who generously volunteer to share their time and experience, enable us to develop transformative medicines for patients with serious diseases.

We are committed to protecting the rights and well-being of participants enrolled in our clinical trials. We invest in tools and technologies to seek a better understanding of the patient experience and use those insights to inform the design of all our trials.

We conduct scientifically rigorous clinical trials that comply with all applicable laws and regulations in countries where we intend to seek marketing authorization. Our trials integrate ethical and safety procedures in accordance with the highest standards including the International Conference on Harmonisation (ICH) Good Clinical Practice guidelines. Each trial is approved by an Institutional Review Board (IRB) or Ethics Committee (EC) that includes medical, scientific and nonscientific members, whose responsibility is to protect the rights, welfare, safety and well-being of clinical trial participants. Once approved, clinical trial locations are monitored by a specific IRB or EC that is responsible for conducting ongoing reviews.

All clinical trial participants must give their informed consent before they are entered into a trial. Subjects are provided an Informed Consent Form that explains the details of the trial, including its purpose, length of time, required procedures, alternative care options, personal data protections, key contacts and possible risks and benefits. Participation in a clinical trial is always voluntary and participants may withdraw at any time and for any reason. The principal investigator is required to inform clinical trial participants of any new developments that may affect or influence their decision to participate. The IRB/EC plays a role in overseeing clinical trials to make sure this occurs.

Vertex's audit program, which includes site visits by our Quality Assurance and Auditing team, is designed to cover clinical trials conducted around the world. When we engage service providers in our studies, part of their role is to ensure that the

clinical trials align with pre-established criteria. Our service providers and clinical investigators are audited through our Good Clinical Practice (GCP) audit program to confirm they meet our quality and safety standards and are compliant with applicable regulatory requirements and, where necessary, to identify meaningful corrective and preventive actions. Issues related to contracted services or GCP standards are managed through a formal escalation pathway.

During 2021, we worked closely with our service providers to safeguard patient safety and accommodate pandemic restrictions. We adapted trials to remote models where possible, offering telehealth options and allowing patients to continue their dosing at home when deemed appropriate. Similarly, our audit program adapted to the pandemic restrictions by leveraging remote audits, where feasible, to ensure continued oversight.

We are committed to clinical trial transparency and comply with laws requiring registration and disclosure of clinical trial outcomes on public registries such as ClinicalTrials.gov and the EU Clinical Trials Register and release clinical documents in accordance with health authority regulations. Results are also published in peer-reviewed medical and scientific journals.



# Safeguarding Data and Protecting Privacy



Protecting business, employee and patient information is a top priority at Vertex. We have implemented a zero-trust model and take actions to continually enhance our global security measures. To keep data safe and help Vertex continue to grow, we improved remote access capabilities, made document labeling processes easier and enhanced protections for personal information and intellectual property. We regularly update our websites to meet new and emerging privacy regulations, and all employees take annual cybersecurity training and are subject to randomized phish testing. We engage with government and industry groups such as the Department of Homeland Security's Cybersecurity & Infrastructure Security Agency (DHS CISA) and the Health Information Sharing and Analysis Center (H-ISAC), a global nonprofit providing health care stakeholders with a forum for sharing vital physical and cyber threat intelligence and best practices.

## Protecting Our Supply Chain

Counterfeit, falsified and diverted medicines are a serious risk to patient health and safety. Vertex's Secure Supply Chain Council is a cross-functional team that leads our work to prevent, detect and respond to instances of product diversion, tampering and counterfeiting, and maintain the quality of our commercial products for the patients who rely on them. Some of the ways we do this include:

- Continuously monitoring markets and incorporating controls to protect our supply chain, starting with materials sourcing and continuing through manufacturing and distribution
- Integrating security measures into the packaging of our medicines to help authenticate genuine Vertex product
- Incorporating serialization, which is the process of adding a unique identifier to the final packaging that can be tracked through the supply chain
- Continuously expanding our global product track and trace capability throughout the supply chain; from manufacturer to wholesaler or specialty pharmacy
- Investigating instances of potential counterfeiting/falsification, theft and diversion, and partnering with law enforcement when warranted
- Utilizing a defined defect notification process to alert health authorities, patients and business partners of potential risks associated with potentially counterfeit/falsified products
- Educating our employees on the process for identifying and reporting product complaints through an annual training as outlined in our [Code of Conduct](#)
- Engaging with external trade groups, alliances, organizations and agencies including:
  - ▷ Pharmaceutical Security Institute (PSI)
  - ▷ Transported Asset Protection Association (TAPA)
  - ▷ Pharmaceutical Cargo Security Coalition (PCSC)
  - ▷ Healthcare Distribution Alliance (HDA)

# Make a Positive Impact in the Communities Where We Are Based

We take seriously our responsibility to make a positive impact in the communities where we live and work. Through Vertex and the Vertex Foundation, we volunteer with and provide funding to collaborators who share our passion for backing the next generation of innovators, supporting patients and their families, and enabling solutions to community challenges to create a more just, inclusive and equitable society.

The Vertex Foundation is instrumental to our efforts. Established in 2017, it aims to improve the lives of people with serious diseases and contribute to the communities where Vertex is located through education, innovation and health.



**\$34M+**

in charitable giving by Vertex and the Vertex Foundation in 2021





# Ongoing Focus on STEAM

We are committed to inspiring and equipping underresourced students to become the next generation of STEM leaders. Our global STEAM education programs are designed to provide opportunity and show young people in our local communities just how impactful, rewarding and exciting a career in biotechnology can be, while enabling Vertexians to share their skills and expertise.

Our commitment comes to life through a series of globally aligned and locally implemented initiatives that center on creating space for learning, supporting equitable access to STEAM education, and developing the next generation of STEM leaders. A key differentiator of Vertex's programs is that high school students are compensated for their participation in internship and mentorship programs, helping to address educational inequities and enabling underresourced students to participate.

We do this through a series of innovative projects and programs, which continued in a virtual environment in 2021.

## School Partnerships and Teacher Support

- Through our **Learning Labs** in Boston, San Diego and Oxford, U.K., we bring classroom concepts to life and give students access to resources and technologies that are generally not available in schools. Our Learning Labs' school partnerships prioritize engagement with students and

schools that have limited opportunities to access hands-on STEAM experiences and exposure to the STEM industry.

- We support teacher **professional development** in Boston and San Diego. Through five sessions attended by 28 teachers in 2021, teachers learned about the future of biotechnology and current topics in science and technology such as CRISPR, data science, coding, ID&E and supporting teachers of color.
- Vertex hosted global career panels and reading circles with students across multiple high schools and elementary schools in Boston, San Diego and Oxford, U.K., to celebrate **heritage months**, including Black History, Women's History, Asian American and Pacific Islander Heritage and Pride.

## Talent and Workforce Development

- We provide hands-on career experiences to local high school students through **paid internship programs** where students explore the business of biotechnology, strengthen STEAM skills and cultivate a lasting professional learning network. We expanded our program to hire 80 students in Boston, San Diego and Oxford, U.K., in 2021, each of whom were provided with laptops and at-home STEAM kits to enable participation virtually. In 2021, we also marked the 10th anniversary of our internship program in Boston.



**20,000+**  
hours spent by students in  
Learning Lab programming

**29**  
schools engaged in Boston,  
San Diego and Oxford, U.K.

**100%**  
of students reported positive  
changes in their STEAM  
engagement as a result of taking  
part in our talent and workforce  
development programs<sup>1</sup>

<sup>1</sup> The Bridge-to-STEM Careers Program and three Global Summer Internships Programs (Boston, Oxford and San Diego) were part of Vertex's paid internship opportunities for local high school students to inspire and provide them with STEM career opportunities. As part of this work, all of Vertex's paid internship opportunities used the Common Instrument Suite (CIS).

- We launched a new **Bridge-to-STEM Careers Program** which was attended by 36 high school students across Boston and San Diego. The program consisted of career exploration, STEAM activities and enrichment experiences to support students' growth as young STEM professionals.
- We create **connections between students and Vertex employees** in partnership with our four global Employee Resource Networks (ERNs). In 2021, 120 ERN members served as mentors to high school students.

### Youth Engagement in Local Communities

- We develop and leverage strategic partnerships to **maximize impact in our communities**. One example is the Vertex Foundation's ongoing partnership with the Boston Children's Museum, which will expand hands-on STEAM enrichment experiences for approximately 400 students and provide collaborative professional development sessions for teachers at Boston public elementary schools in 2022. Through the Vertex Foundation, we also partner with STEM Learning to offer a series of STEM-themed camps for underserved students near our site in Oxford, U.K.

### STEM Scholarships

- Through the **Vertex Science Leader's Scholarship Program**, we award Boston Public Schools high school seniors with **fully funded four-year scholarships** to pursue a STEM degree at any University of Massachusetts campus. Going beyond covering the cost of school, scholarship recipients are given access to college internships and mentoring from Vertex scientists and our partners at Bottom Line, a nonprofit organization that helps low-income and first-generation college students succeed. Fifteen scholarships have been awarded since the program began in 2014, including two in 2021.

## From Field Trip to Vertex Employee

Vertex is committed to developing a broad pipeline of talent through engagement with communities that have been traditionally underrepresented in biotechnology careers. Our Learning Labs, paid internships and scholarship programs are a few of the ways we achieve this. Jamesha Senatus and Sayed Shah are two former participants in these programs who have been hired at Vertex full-time.



**Jamesha Senatus**

Global Meetings & Events Coordinator  
*Former high school and college intern*

“

I started my career at Vertex as a high school intern where I gained many skills that helped me during college. Vertex's commitment to patients alongside its dedication to seeing young employees succeed inspired me to pursue a career here.”



**Sayed Shah**

Development Analyst & Software Engineer  
*2017 Vertex Science Leaders Scholarship recipient  
and former high school and college intern*

“

I have many mentors at Vertex who care about my growth and future. Every person that I meet is passionate about the work that they're doing, and I know that working here as a software engineer will have an impact on other people's lives.”

## Promoting Social Innovation

Innovation is at the core of Vertex, and we are committed to supporting initiatives that enable innovative solutions to community challenges. By partnering with organizations utilizing innovative approaches, the Vertex Foundation aims to develop solutions that are more effective, efficient, sustainable or equitable than the status quo.

For example, through the Vertex Foundation, we partner with Equal Justice Works to provide fellowships to new public interest lawyers so they can receive training

and support to implement effective projects and to build a strong foundation for their careers. In 2021, the Vertex Foundation supported two fellows whose projects focused on expanding access to justice for human trafficking survivors in California and launched a first-of-its-kind project focusing on advocacy and outreach to low-income Black, Indigenous and People of Color (BIPOC) and LGBTQ+ individuals in Boston.

## Supporting Healthy Families

A child living with a serious illness impacts the whole family, so we have several initiatives in place to support quality of life for families with children living with serious diseases.

The Vertex Foundation Scholarship helps people with cystic fibrosis (CF) and their families pursue two-year, four-year or graduate degrees through a competitive scholarship program. In 2021, 88 students in the U.S. and Canada were awarded scholarships through this initiative.

We expanded our support of Ronald McDonald House Charities (RMHC) in 2021 to five new countries — Australia, Germany, Italy, Spain and Sweden — in addition to our partnerships in the U.S. and Ireland. In Australia, our support is being used to translate RMHC welcome materials and other educational assets into several languages, including Mandarin, Cantonese, Spanish, French and Arabic, to better serve the diverse populations served in the region.

The Vertex Foundation also continues to fund camps that provide holistic support for children with serious illnesses and their family members. In 2021, we began a new partnership with L'ENVOL in France to provide camps for seriously ill children and their siblings to strengthen fraternal ties and meet other children in similar circumstances. This initiative builds on our ongoing partnerships with Barretstown in Ireland, The Painted Turtle in California, and Camp Sunshine in Maine.



88

Vertex Foundation Scholarships  
awarded in 2021



# Advancing Inclusion, Diversity and Equity in Our Communities

Our commitment to inclusion, diversity and equity (ID&E) is longstanding and encompasses our workplaces as well as our communities. Vertex and the Vertex Foundation fund projects and organizations with a strong commitment to ID&E, and we seek to promote these values through all of our focus areas.

Through Vertex and the Vertex Foundation, our support of ID&E in the community includes:

- Helping to establish the Boston University Center for Antiracist Research as the first corporate funder. The Center is researching and developing new ways to understand, explain and solve problems of racial inequity and injustice.
- Supporting the New Commonwealth Racial Equity and Social Justice Fund, a coalition of Black and Brown executives in Massachusetts who work together to leverage their individual and collective power to eliminate systemic racism and racial inequity throughout the state.
- Offering employees a special 2:1 match on donations made to 17 organizations supporting racial and social justice during the Foundation's annual matching gift campaign in June 2021.



Additional information about our ID&E community partnerships can be found in our [ID&E Factsheet](#).

## Engaging Employees in Community Support



Vertexians contribute their time and talents through our two signature employee engagement programs: the Vertex Foundation Matching Gift Program and our employee volunteer program, Vertex Volunteers. When our employees take on approved service or pro bono commitments, it's fully supported and treated as any other work-related task. For example, Vertex employees who currently serve on nonprofit boards receive a nonprofit board service training, ongoing virtual resources and an annual donation from the Vertex Foundation to support the nonprofit. Combined, more than 58 percent of all Vertexians gave back to their communities through the Vertex Foundation Matching Gift Program and Vertex Volunteers in 2021.

### Day of Service

Our annual global Day of Service gives employees the chance to lend their time and expertise to nonprofit organizations during a paid day of volunteering. In 2021, we continued to offer virtual volunteer activities and expanded in-person events in select markets in accordance with COVID-19 guidelines. More than 1,450 employees from 24 Vertex offices participated in the Day of Service, making the event our largest and most impactful to date.

**70**  
partner  
organizations

**1,450+**  
employees globally  
across 24 offices in  
18 countries

**13th**  
annual Day of  
Service event



### Matching Gift Program

The Vertex Foundation Matching Gift Program matches employee donations 1:1 up to \$5,000, or local currency, annually to eligible nonprofit organizations. In 2021, we saw unprecedented levels of giving by employees and the Vertex Foundation driven by two special match campaigns: our annual campaign in June focused on racial and social justice, COVID-19 relief and patient support organizations, and a second, offered for Giving Tuesday in November.

**\$3.9M**  
donated by employees  
and the Vertex  
Foundation

Nearly **2,000**  
nonprofits supported  
globally

Since 2016, our Legal and Office of Business Integrity & Ethics team has provided free legal resources to individuals in need through partnerships with Equal Justice Works, the Political Asylum/Immigration Representation (PAIR) Project, Project Citizenship, Transgender ID Project and others. In total, the team volunteered 415 hours and served 37 clients in 2021.

# Key Performance Indicators

Metric	2021	2020	2019
<b>Business and Ethics</b>			
R&D Investment (GAAP, in USD thousands)	3,051,147	1,829,537	1,754,540
R&D Investment as a Percentage of Business Operating Expenses (GAAP)	78%	70%	73%
% of Employees Who Completed Their Annual Code of Conduct Training	100%	100%	100%
% Spend on Small Businesses <sup>1</sup>	19.5%	14.5%	N/A
<b>Workplace</b>			
% of Workforce Who Are Women	54%	53%	53%
% of Leadership (VP & above) Who Are Women	41%	38%	42%
% of Workforce Who Are Racial and Ethnic Minorities (U.S.)	36%	34%	32%
% of Leadership (VP & above) Who Are Racial and Ethnic Minorities (U.S.)	19%	18%	13%
% of New Hires Who Are Racial and Ethnic Minorities (U.S.)	43%	44%	36%
% of Board of Directors Who Are Women	40%	40%	30%
% of Board of Directors Who Are Racial and Ethnic Minorities	40%	40%	40%
Voluntary Turnover Rate (Global, Trailing 12 Months Metric)	11.6%	6.3%	9.2%
<b>Community</b>			
Nonprofits Supported Through Matching Gift Program	1,971	1,597	1,538
Hours Volunteered by Employees During Work Time	5,006	3,257	6,688
% of Employees Who Volunteered Through Vertex Volunteers	40%	38%	49%

<sup>1</sup> For the 2021 U.S. gov. fiscal year (Oct. 1, 2020-Sep. 30, 2021).



Metric	2021	2020	2019
<b>Environment, Health, Safety and Sustainability</b>			
Total Recordable Incident Rate (per 200,000 hours worked) <sup>1</sup>	0.21	0.23	0.49
Days Away, Restricted or Transferred (per 200,000 hours worked) <sup>2</sup>	0.05	0.13	0.09
% of Employees Using Public Transportation to Commute (U.S.- and U.K.-based employees)	N/A	N/A	44%
% Square Feet of Buildings Operated That Are Green Certified	73%	N/A	N/A
<b>Total GHG Emissions Scope 1 &amp; Scope 2 Market-Based (metric tons CO2e)</b>	13,287	13,449	13,826
GHG Scope 1 (metric tons CO2e)	6,128	5,642	5,834
GHG Scope 2 (metric tons CO2e)	7,159	7,807	7,992
CDP Climate Change Survey Score	B	B	N/A
<b>Nonhazardous Waste (metric tons)<sup>3,4</sup></b>	724.1	522.6	1,233.7
Nonhazardous Waste Diverted From Landfill (metric tons) <sup>3,4</sup>	301.2	272.5	635.4
% Nonhazardous Waste Recycled or Composted <sup>3,4</sup>	42%	52%	51%
<b>Hazardous Waste (metric tons)<sup>3,4</sup></b>	387.7	245.6	N/A
Laboratory and Manufacturing Waste Recycled (metric tons)	41.9	32.5	N/A
<b>% Total Waste Diverted From Landfill<sup>3,4,5</sup></b>	62%	N/A	N/A
<b>Total Water Consumed (megaliters)</b>	102.5	101.0	N/A

<sup>1</sup> In 2021, Vertex began reporting safety Total Recordable Incident Rate (TRIR) per 200,000 hours worked. Our 2020 and 2019 data has been adjusted from a percentage to the rate per 200,000 hours worked for consistency.

<sup>2</sup> In 2021, Vertex began reporting Days Away, Restricted or Transferred (DART) per 200,000 hours worked. In 2020 and 2019, we reported Lost Time Incident Rate (LTIR) as days lost per 200,000 hours worked. Our 2020 and 2019 data has been adjusted from LTIR to DART for consistency.

<sup>3</sup> Waste figures represent waste associated with our operations and excludes construction and demolition waste.

<sup>4</sup> Waste metrics were updated in June 2022 to reflect our final assured data.

<sup>5</sup> Includes hazardous and nonhazardous waste diverted from landfill via recycling, composting, fuel blending, and incineration for repurposing or energy recovery.

# Reporting Index

We are monitoring key corporate responsibility metrics across the business. The table below tracks 15 metrics in alignment with the Sustainability Accounting Standards Board (SASB) reporting framework. These include metrics that are discussed in this 2021 Corporate Responsibility Report, our [Code of Conduct](#), [Annual Report \(Form 10-K\)](#) and [corporate website](#).

## Accounting Metrics

Topic	Accounting Metric	Code	Disclosure Location
Safety of Clinical Trial Participants	Discussion, by world region, of management process for ensuring quality and patient safety during clinical trials	HC-BP-210a.1	Clinical Trial Safety, Ethics and Oversight, page 22
	Number of FDA Sponsor Inspections related to clinical trial management and pharmacovigilance that resulted in: (1) Voluntary Action Indicated (VAI) and (2) Official Action Indicated (OAI)	HC-BP-210a.2	<a href="#">U.S. FDA Inspection Classification Database</a>
	Total amount of monetary losses as a result of legal proceedings associated with clinical trials in developing countries	HC-BP-210a.3	As reported in our <a href="#">Annual Report on Form 10-K</a> , Vertex is not currently subject to any material legal proceedings associated with clinical trials in developing countries.
Access to Medicines	Description of actions and initiatives to promote access to health care products for priority diseases and in priority countries as defined by the Access to Medicine Index	HC-BP-240a.1	Access to Medicines, page 7 <a href="#">Our Position on Global Access</a>
	List of products on the WHO List of Prequalified Medicinal Products as part of its Prequalification of Medicines Programme (PQP)	HC-BP-240a.2	Vertex has no products on the WHO List of Prequalified Medicinal Products.
Drug Safety	List of products listed in the FDA MedWatch Safety Alerts for Human Medical Products database	HC-BP-250a.1	<a href="#">FDA MedWatch Safety Alerts for Human Medical Products Database</a>
	Number of fatalities associated with products as reported in the FDA Adverse Event Reporting System	HC-BP-250a.2	<a href="#">FDA Adverse Event Reporting System</a>

## Accounting Metrics (cont'd)

Topic	Accounting Metric	Code	Disclosure Location
Counterfeit Drugs	Description of methods and technologies used to maintain traceability of products throughout the supply chain and prevent counterfeiting	HC-BP-260a.1	Protecting Our Supply Chain, page 23
	Discussion of process for alerting customers and business partners of potential or known risks associated with counterfeit products	HC-BP-260a.2	Protecting Our Supply Chain, page 23
Ethical Marketing	Description of code of ethics governing promotion of off-label use of products	HC-BP-270a.2	<a href="#">Vertex Code of Conduct</a> , page 26 <a href="#">Annual Report on Form 10-K</a> , page 19
Employee Recruitment, Development and Retention	Discussion of talent recruitment and retention efforts for scientists and research and development personnel	HC-BP-330a.1	Workforce Diversity, page 11 Supporting Employees, page 13
	(1) Voluntary and (2) involuntary turnover rate for: (a) executives/senior managers, (b) midlevel managers, (c) professionals, and (d) all others	HC-BP-330a.2	Key Performance Indicators, page 30
Business Ethics	Description of code of ethics governing interactions with health care professionals	HC-BP-510a.2	<a href="#">Vertex Code of Conduct</a> , page 52

## Activity Metrics

Activity Metric	Code	Disclosure Location
Number of Patients Treated	HC-BP-000.A	Access to Medicines, page 7
Number of Drugs (1) in Portfolio and (2) in Research and Development (Phases 1-3)	HC-BP-000.B	<a href="#">Our Approved Medicines Research and Pipeline</a>

## Special Note Regarding Forward-Looking Statements

This Corporate Responsibility Report includes forward-looking statements about, among other things, our performance on environmental, social and governance topics, including goals and targets, company strategies and growth potential, that are subject to substantial risks and uncertainties that could cause actual results to differ materially from those expressed or implied by such statements. Those risks and uncertainties include those listed under the heading “Risk Factors” in Vertex’s annual report filed with the Securities and Exchange Commission (SEC) and available through the company’s website at [www.vrtx.com](http://www.vrtx.com) and on the SEC’s website at [www.sec.gov](http://www.sec.gov). You should not place undue reliance on these statements. Vertex disclaims any obligation to update the information contained in this press release as new information becomes available.





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