

ERTEX®

2023

**CORPORATE RESPONSIBILITY  
REPORT**



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# Leadership Message

R K W M D C E O P

2023 was a transformative year for Vertex. We made significant advances toward delivering on our core mission of creating transformative medicines for people with serious diseases and ushering in a new era of diversification. Our differentiated strategy, investment in scientific innovation, and unique culture have enabled us to extend our leadership in cystic fibrosis (CF), expand into new disease areas with the regulatory approvals of CASGEVY™ (exagamglogene autotemcel), rapidly advance our robust research and development (R&D) pipeline, and drive positive impact for patients, employees and our communities. We are proud of these advancements, as well as our continued efforts to operate responsibly and be a good corporate citizen.

I am pleased to share our 2023 progress and accomplishments in this report. Among our achievements, we:

Secured multiple approvals globally for the first CRISPR-based gene-edited therapy, CASGEVY™, a first-in-class treatment that offers the potential of a one-time transformative therapy for eligible patients with severe sickle cell disease and transfusion-dependent beta thalassemia.

Expanded access to our CF medicines for more people around the world, with more than 60 countries where our CF medicines are reimbursed or accessible.

Advanced our R&D portfolio, with a robust clinical-stage and preclinical pipeline. As of 2023, nine disease areas were in clinical development, with each clinical-stage program a first-in-class or best-in-class therapeutic that holds the



# 2023 Priorities and Progress



# Our Approach to Corporate Responsibility

Everyone at Vertex is committed to making a difference in the lives of people with serious diseases. The same principles that guide and drive our innovation — fearlessness, diversity, collaboration and commitment to patients — fuel our efforts to operate responsibly and be a good corporate citizen.

We believe that the greatest impact we can have on society is to deliver on our mission to create transformative medicines for people with serious diseases. Consequently, our approach with respect to environmental, social and governance (ESG) issues and risks is to prioritize those that are most important to achieving our mission.

Our Board oversees an enterprisewide approach to risk management to improve our long-term, operational performance. Fundamental to risk management is understanding, mitigating and monitoring the risks that we face, including those related to ESG issues. As detailed in our [Corporate Governance Principles](#), the Board receives and considers updates regarding key matters.

At the management level, our Executive Committee maintains oversight of our ESG strategy, with individual members accountable for issues and risks related to their functions. Our Chief Legal and Risk Officers oversee the team accountable for advancing Vertex's ESG efforts. This governance structure enables cross-functional engagement throughout the organization and allows us to effectively monitor our priority areas and take action where needed.

We regularly assess the importance of ESG topics and risks and, in so doing, consider feedback from key stakeholders such as patients, the medical community, regulators, investors, employees and suppliers. Our most recent stakeholder assessment was conducted in 2022. We commit to reporting our priorities and progress annually in this report and through other public disclosures and engagements.

## Recognition of Our Efforts

### **Boston Business Journal**

Best Places to Work

Top Charitable Contributors  
in Massachusetts

### **Boston Globe**

Top Places to Work

### **Forbes**

Best Employers for Diversity

### **Fortune**

100 Best Companies to Work For®

### **Great Place to Work®**

### **Human Rights Campaign**





## O I P

Our R&D pipeline continues to make remarkable progress. In addition to CF, severe SCD and TDT, our 2023 clinical-stage pipeline included potential therapies for acute and neuropathic pain, APOL1-mediated kidney disease (AMKD), type 1 diabetes (T1D), myotonic dystrophy type 1 (DM1) and alpha-1 antitrypsin deficiency (AATD). Each of our clinical-stage programs is a first-in-class or best-in-class approach that holds the promise to transform the disease. Our broad and diverse preclinical pipeline, which represents the next wave of innovation, is also rapidly advancing.

In 2023, we completed Phase 3 pivotal trials for our next generation triple combination therapy for CF and advanced a clinical trial for an investigational mRNA therapy for the estimated 5,000 people who cannot benefit from cystic fibrosis transmembrane conductance regulator (CFTR) modulators. We also completed Phase 3 pivotal trials for our potential non-opioid medicine for acute pain which, if approved, would represent the first new class of medicines for acute pain in over 20 years. And, in AMKD, we completed enrollment of the Phase 2 portion of our Phase 2/3 study.



In our relentless commitment to reach more patients, we pursue partnerships and acquisitions that further our research capabilities and technologies. In 2023, we completed 10 business development transactions aimed at enabling the next level of innovation for our clinical-stage assets, supplementing the pipeline with additional assets and thoughtfully managing our portfolio of existing collaborations. We also entered into a strategic manufacturing collaboration to build a dedicated manufacturing facility for T1D cell therapies. The facility in Portsmouth, New Hampshire, will support commercial production of Vertex's investigational T1D cell therapy portfolio and is

expected to create approximately 3 106 (ational ational 9rw jobshe np(ch c)10 kabilities and tcrtsemCc)10. And, in AMKD,nd tcM0 CSi.6V4.1pgtr 365 w,ndGS1 gsq 16V4.11TJ4.621 T251.9907 cmV4.1m14(6





# Engaging Patient Communities

We are relentless in our pursuit to create transformative medicines for people with serious diseases and, in so doing, recognize the importance of patient advocacy, awareness and community support. In 2023, we engaged with patient organizations and communities as follows.

## C F

We continued to support CF programs and initiatives in the countries where we operate to educate health care professionals, raise disease awareness and provide support to nonprofit organizations and patients. We sponsored educational initiatives for the CF community, including the Cystic Fibrosis Research Institute's National CF Education Conference and the Rock CF Foundation's Boltcast program, which focuses on the importance of physical well-being and mental health for those living with CF and their caregivers. We also supported a variety of initiatives for patients outside of the U.S., including a partnership to provide mental health workshops for parents and caregivers of people with CF in Kraków and Warsaw, Poland, and a program in Italy to facilitate the employment of people with disabilities, including people with CF.

## S C D B T

We engaged with sickle cell organizations across the world to [raise d to](#)

# Clinical Trial Safety, Ethics and Oversight

Clinical trials are a critical part of developing transformative medicines for people with serious diseases. We are committed to conducting clinical trials with the highest





# Advancing Health Equity for Patient Communities

We are committed to improving health outcomes for patients, not only by developing transformative medicines, but also by addressing systemic barriers faced by patients on or eligible for our medicines.

Alongside increasing [access to medicines](#), increasing access to

[our clinical trials](#), [access to medicines](#)







# Our Core Values

Our unique culture promotes innovation, encourages employees to do the right thing, and enables us to build the highest performing teams. Our core values enable us to deliver on our mission of creating transformative medicines for people with serious diseases. Every Vertexian is a steward of our values and is dedicated to patients, excellence and one another. We encourage regular discussions regarding our culture and recognize colleagues' contributions through awards and recognition.

## Uncompromising Commitment to Patients



Patients are at the center of all that we do. Every decision we make is driven by the patients we serve.

## Innovation Is Our Lifeblood



At Vertex, we challenge the status quo. We ask what's possible and find new paths to solve difficult and important problems.

## Fearless Pursuit of Excellence



We chase excellence — we take calculated risks, learn from both success and failure and continuously improve — all at the highest level of personal integrity and ethics.

## "We" Wins



We believe inclusion, diversity and equity (ID&E) are essential to maintaining our strong culture. We want the best and brightest minds from all backgrounds around the table working together to solve tough problems.

## Bringing Our Culture to Life

While every single Vertexian is a steward of our culture, Vertex Ambassadors play a unique role in bringing the power of our culture to life.

In 2023, more than 150 global Vertex Ambassadors took on initiatives to embed our culture across our global sites and foster an understanding of who we are as Vertexians. Among their activities, Ambassadors engaged with prospective and new employees, shared important event and program information with their respective teams, and recognized fellow Vertexians for living our values and behaviors.



# Embedding Innovation

To be successful for the patients we serve, we must push the boundaries of what's possible and continue to be at the forefront of innovation.

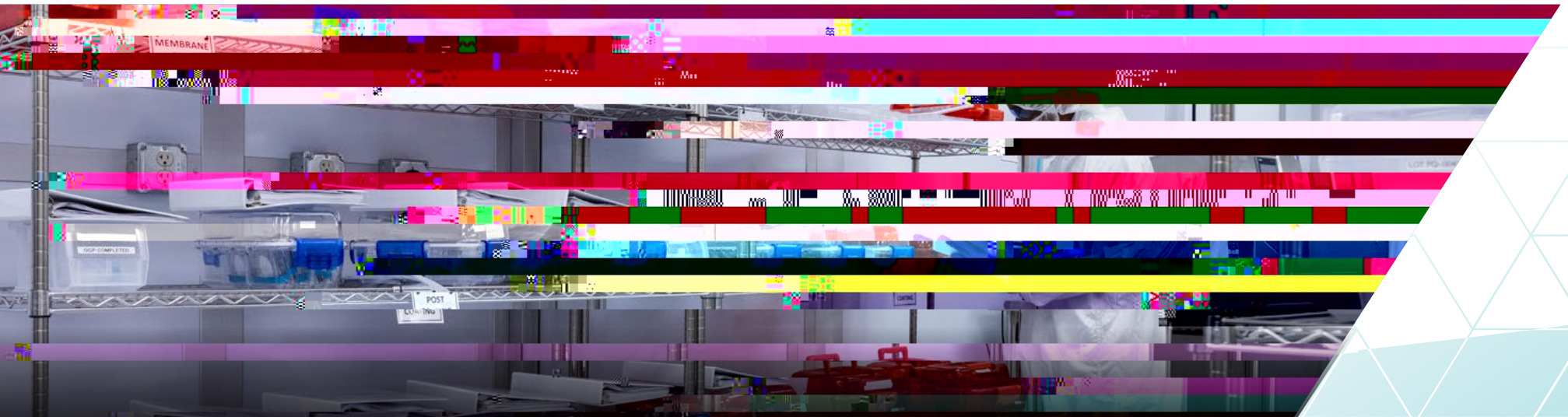
Vertex invests in scientific innovation to create transformative medicines for people with serious diseases. This unique business strategy enables serial innovation. We invest significantly in research and development (R&D) — with the majority of our operating expenses and three out of five employees dedicated to that purpose. Yet Vertex's innovative muscle is not limited to R&D. For example, we innovate when approaching business activities such as the reimbursement of medicines. Typically, outside the U.S., the reimbursement process initiates a year before securing regulatory approval. In several countries we have established a path to reimbursement in advance of future regulatory approval for our cystic fibrosis (CF) medicines, thereby enabling quicker patient access.

The Vertex Innovation and Educational Research (VIER) team develops both internal programs and external partnerships to sustain and grow the culture of innovation at Vertex. We've launched nearly a dozen programs with the simple goal of making Vertex a phenomenal place to innovate. For example, one of our core innovation programs is a [one-year fellowship program](#) for outstanding early career scientists and physicians to collaborate directly with Vertex project teams and make real-world contributions to drug discovery programs.

We have been recognized externally for our innovation efforts. In addition to numerous workplace awards, Vertex has been named to *Forbes*'s World's 50 Most Innovative Companies list. Additionally, three Vertexians have been awarded the [Breakthrough Prize in Life Sciences](#) for their R&D efforts in CF, spanning 20 years. The Breakthrough Prize, a preeminent scientific award, is presented annually to recognize the research achievements of the world's top scientists.

# Fostering Integrity

Our culture of high ethical standards and integrity is essential to our success, and each Vertexian is responsible for upholding and demonstrating ethics and integrity in our work every day. In 2023, we once again hosted our annual Integrity and Ethics Week to highlight and raise





# Creating an Inclusive and Equitable Culture

We are the most innovative, make the best decisions for patients, and build the highest-performing teams when our employees feel supported and valued. Our aspiration is to foster an inclusive and equitable culture that enables all people at Vertex to thrive. ID&E is embedded in our organization to create a workplace where everyone can do their best work because they feel, and are, valued for their unique perspectives.

## LEIDELP

We recognize that achieving our aspiration requires all Vertexians to take personal responsibility for leading inclusively. We build our ID&E trainings to make an impact and deliver tangible outcomes. Trainings focus on establishing awareness and shared language; building empathy and strengthening belonging; and equitably developing talent. These trainings include insider/outsider dynamics and inclusive hiring.

# Nurturing Employee Connections

## ERNW

Our Employee Resource Networks (ERNs) are voluntary, employee-led groups that amplify the voices, insights and experiences of our colleagues from traditionally underrepresented groups. All employees are welcome to join any and all of our ERNs. By thoughtfully curating programs across the globe that are grounded in career, culture and community, ERNs create unique opportunities for connection and strengthen belonging within Vertex.

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

**Inspiring Women in Leadership and Learning (IWILL)** — Seeks to strengthen Vertex's efforts in attracting, retaining, developing and enhancing the career satisfaction of women, contributing to their professional advancement

**Vertex PRIDE** — Supports, provides visibility of, and celebrates our LGBTQ+ employees and allies

**Vertex Includes Boundless Ethnicities (VIBE)** — Supports the empowerment and growth of our racially and ethnically diverse employees as leaders, building a diverse community based on trust and respect

## ID&E Strategic Priorities

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## ID E

We hosted our seventh annual ID&E Week in 2023, a dedicated time for all Vertexians to reflect, learn and connect with colleagues on the important role ID&E plays in our business, culture and communities. This year, ID&E Week focused on the theme of 'Game Changers' — showcasing game-changing leaders both within and outside of Vertex who are enabling significant progress in ID&E. Nearly 4,800 employees across the globe were invited to hear stories of how research, policymaking, advocacy and practices have transformed workplaces and communities to create spaces where people from all backgrounds can thrive.



# Supporting Employee Well-Being

To achieve our best work and deliver on our promise to patients, we need to be our best selves. That's why we offer a variety of industry-leading, inclusive benefits and opportunities to support our employees and their loved ones.

Our Total Rewards philosophy is to be competitive, inspire exceptional performance, recognize great work, promote employee well-being, facilitate opportunities for growth, and support a diverse and inclusive workforce with equitable rewards. We differentiate the employee experience through personalized solutions that are globally consistent and locally relevant.

We listen, learn and evolve our benefits through regular pulse surveys and focus groups. Twice annually, we administer companywide surveys to seek feedback directly from Vertexians and measure overall engagement and satisfaction. We continue to outperform industry benchmarks on our surveys with an 85 percent participation rate and an employee satisfaction score of 80, seven points higher than our industry benchmark. Our employees are also excited about Vertex's future, giving the company a prospect score of 91, which is 16 points higher than the industry benchmark.

## Our inclusive benefits

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 (inclusive of Medical Leave and Bonding Leave)

A doula reimbursement of up to \$2,000 per birth

A surrogacy and adoption reimbursement of \$25,000 per child

Reciprocal IVF, donor sperm and egg, and egg cryopreservation coverage for U.S. employees

Access to back-up child and adult care, senior planning and day care tuition discounts for U.S. employees

A 25 percent match on employee contributions to Dependent Care Flexible Spending Accounts up to \$1,000 per year

Gender affirming health care including a wide variety of procedures, services and prescription drug coverage

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 providing up to \$10,500 per year

Student loan repayments, matching employee student loan payments up to a lifetime maximum of \$10,500

Financial counseling via a digital platform and one-on-one sessions

Company-paid access to Bright Horizons' Special Needs program, helping with a child's most pressing needs, and College Coach to assist students with the college application process

Two companywide shutdowns, one week in August and one week in December, in addition to generous annual paid vacation time

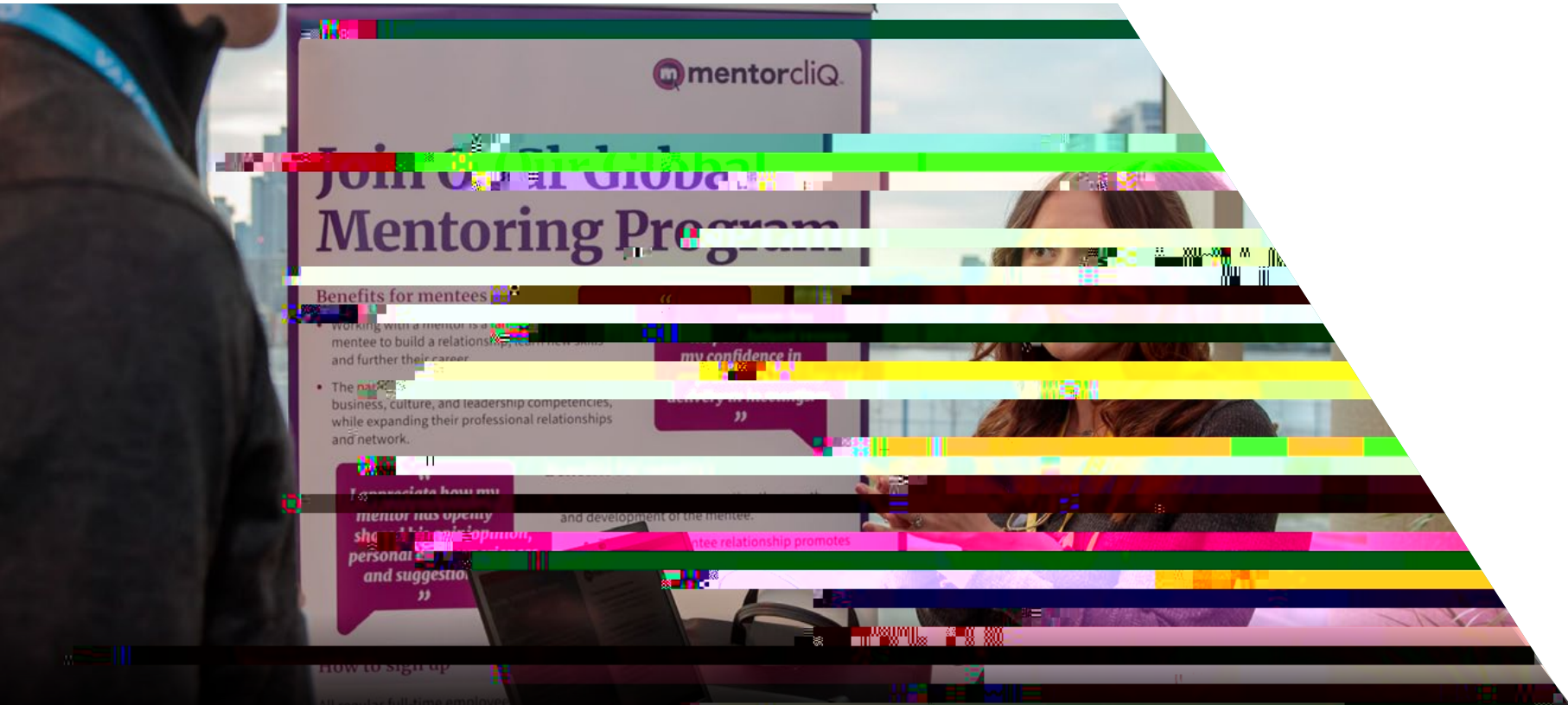
Workplace flexibility through Flex@Vertex

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

# Career Growth and Development

We take a comprehensive approach to career development — one that's employee-led, manager-facilitated and company-enabled. Employees have the opportunity to develop new skills, explore career possibilities, gain real-world experience with gigs, job rotations and cross-functional assignments, and make mentoring connections.

Growth and development trainings and tools include:



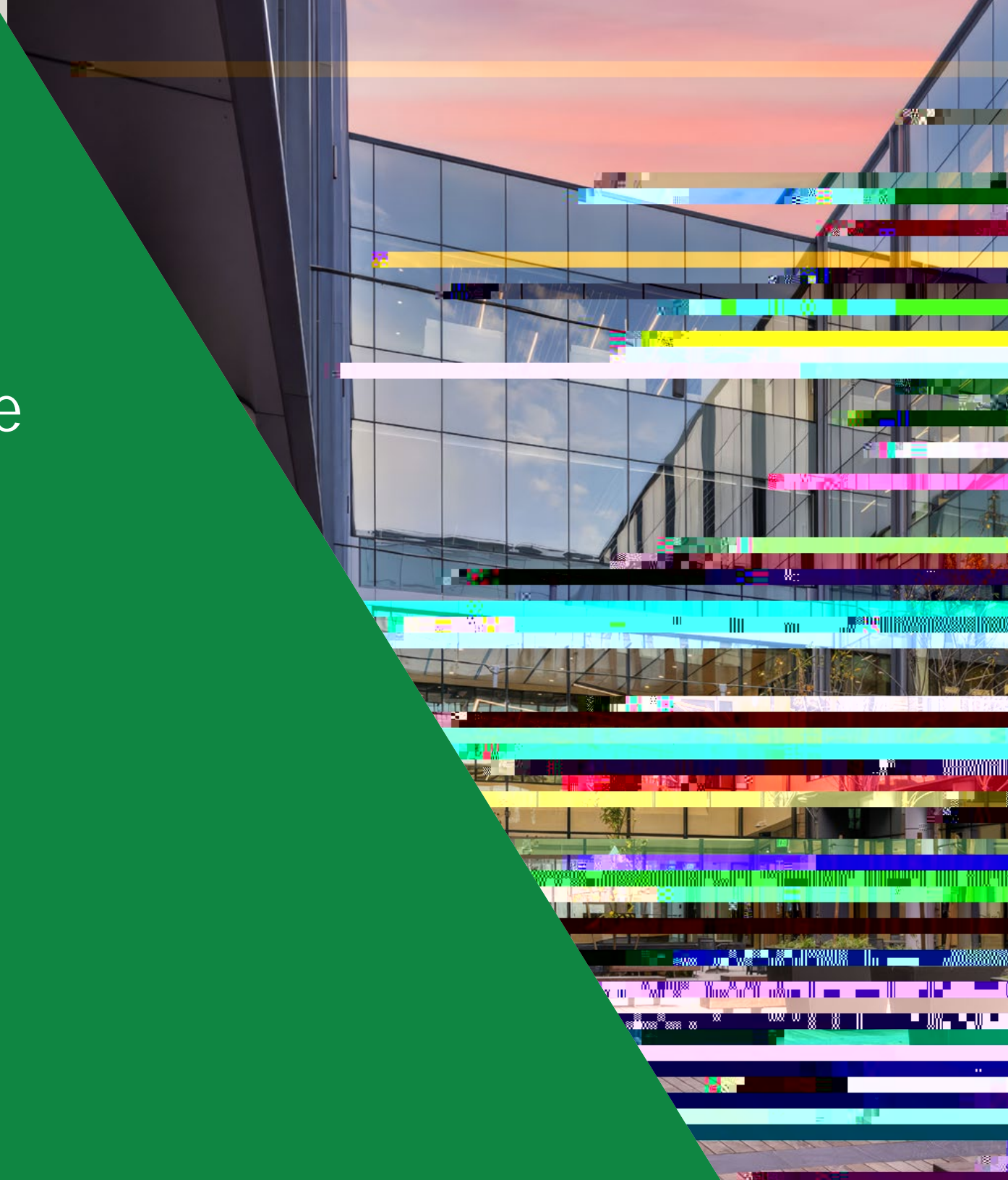
# Building Resilience Through Responsible Sourcing

Strong business partnerships are critical to our business success and ability to deliver for patients. We partner with suppliers that share our commitment to high ethical standards, who embrace diversity, exhibit a passion and sense of urgency to the patients we serve, strive for innovation, and operate in a socially and environmentally responsible manner.

We have policies and systems in place to help make sure our suppliers meet our high ethical standards. Our [Supplier Code of Conduct](#) outlines our expectations on a number of topics, including honesty and integrity, transparency, confidentiality, data privacy, insider trading and social and environmental responsibility.



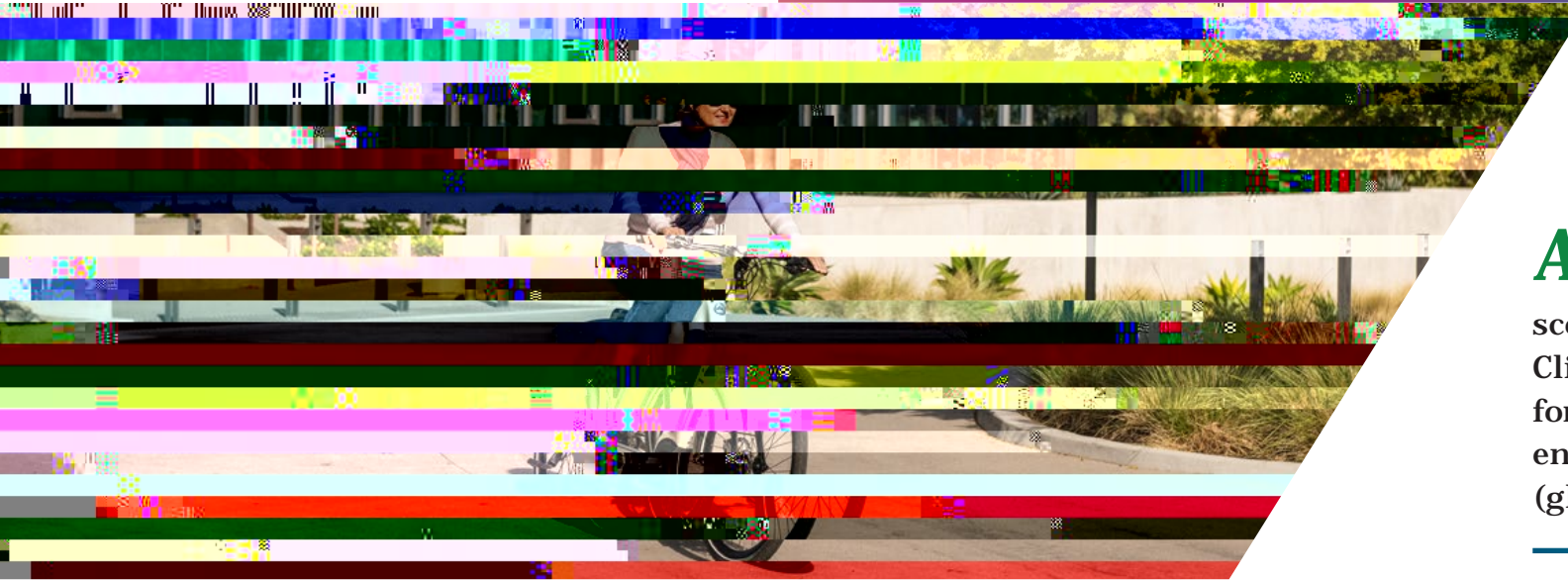
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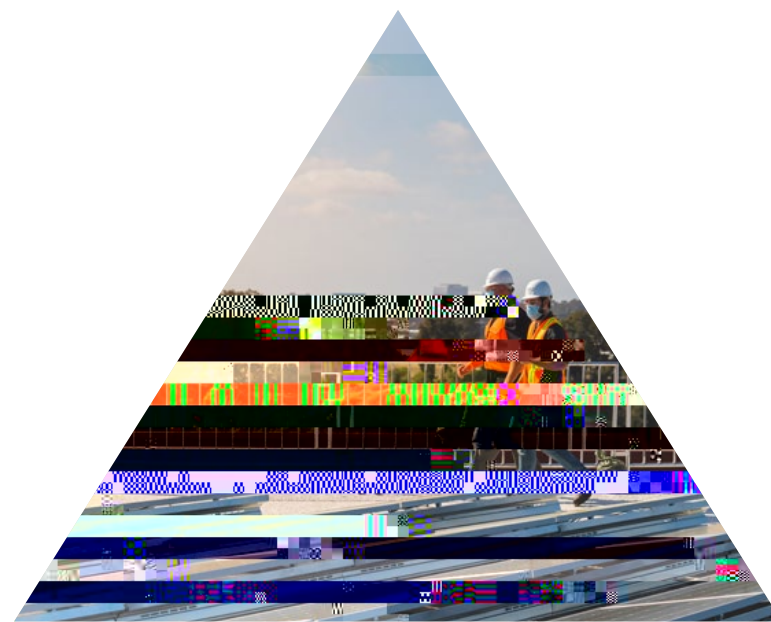
score on 2023 CDP Climate Change survey for demonstrating environmental leadership (global average score is C)

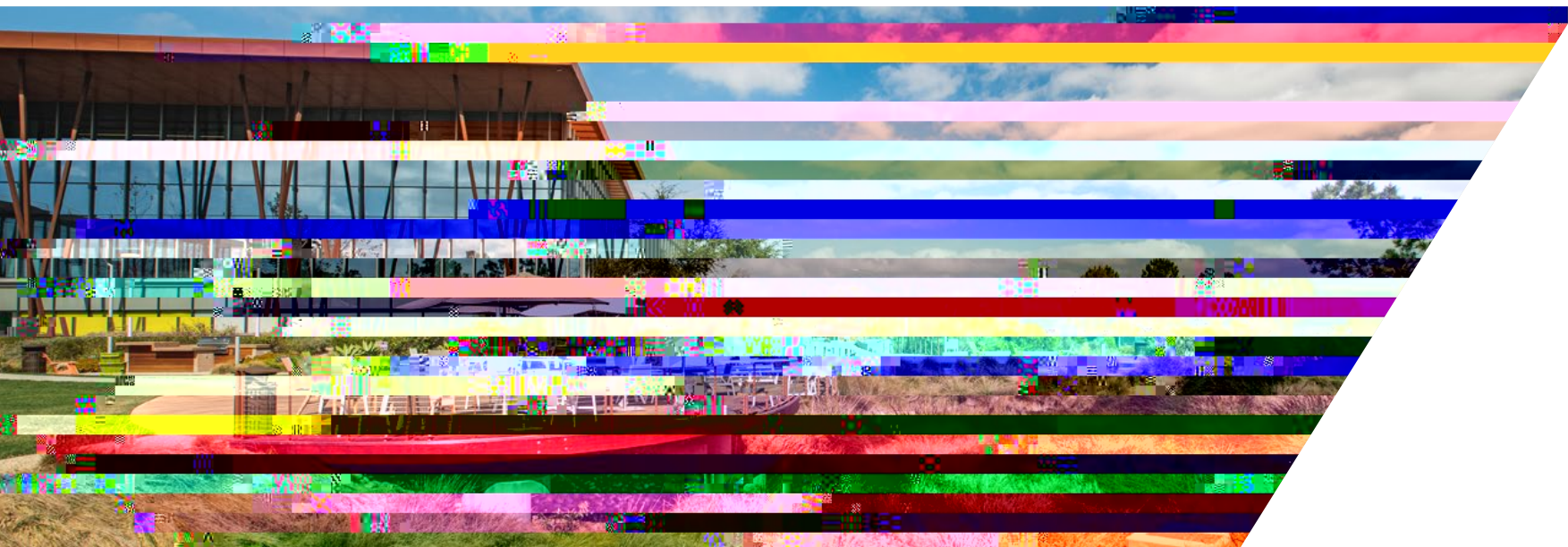
**A C R O**

Comprehending climate risks and opportunities is an important part of our corporate governance and helps us to identify priorities and make informed decisions.

We conduct a climate risk assessment every two years to identify, assess and quantify our climate-related risks and opportunities over the short, medium and long term. Our latest assessment was completed in January 2023, and part of the analysis focused on the risks of increased cost for raw materials and scarcity of natural resources. Our approach is aligned with the Task Force on Climate-related Financial Disclosures (TCFD) recommendations and uses shared socioeconomic pathways to develop potential scenarios that could impact our activities by 2030.

The analysis indicated that Vertex faces minimal risks to its business associated with the transition from fossil fuels to a lower-carbon economy. Our greatest climate risks are physical risks, including the potential impacts of drought on our locations in California and coastal flooding near our key facilities in Boston's Seaport District. However, we believe that our business continuity strategies and existing mitigation processes, including use of flood barriers, waterproofing, watertight doors and storm-resistant glass, reduce the risk of a catastrophic event.















# Protecting Our Supply Chain

We are focused on ensuring the safety and security of our supply chain to protect our products and patients. Our medicines meet the highest safety, ethical and environmental standards. 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 products for the patients who rely on them. Some of the ways we do this are:

Monitoring markets and incorporating controls continually 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

Using 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](#)

Implementing new business processes and digital capabilities to proactively and appropriately address requirements unique to new modalities including cell and gene therapies

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)

# Safeguarding Data and Privacy

Vertex respects the privacy of all individuals, including our patients and our employees and business partners. To keep data and privacy secure, we act to continually enhance our global security measures. This includes:

Implementing a zero-trust model

Maintaining a robust third-party cybersecurity risk management program

Regularly updating our websites and business systems to meet new and emerging privacy and cybersecurity regulations

Requiring all Vertexians to participate in an annual cybersecurity training







# Collaborating to Solve Community Challenges

Innovation is not only core to our mission to improve the lives of people with serious diseases; it also extends to supporting initiatives that enable effective solutions to community challenges. By partnering with organizations using innovative approaches to social problems, the Vertex Foundation aims to develop solutions that are more efficient, sustainable or equitable than the status quo.

For example, since 2018, the Vertex Foundation has supported RIZE Massachusetts, a nonprofit working to end the opioid epidemic in the commonwealth. RIZE works to build networks, design programming, and support community partners who are using novel approaches to prevent overdoses.

Their programs reach approximately 10,000 adults each year throughout every county in Massachusetts.

Other efforts we support include:

- Sponsoring City Year mentors at schools in Boston and London to provide social, emotional and academic support to inner-city students and create a positive school culture and climate.

- Supporting Feeding San Diego's School Pantry and Mobile Pantry Programs, which distribute nutritious meals to local children, and their families, who are facing food insecurity. Feeding San Diego is the leading hunger relief and food rescue organization in San Diego County.

- Partnering with Second Chance Cars to mobilize low-income veterans and returning citizens with affordable car ownership to access employment and improve quality of life. Second Chance Cars has been part of our Global Day of Service program and is sponsored by BRAVE, our ERN for veterans and first responders.

## 86

### Vertex Foundation Scholarships awarded in 2023

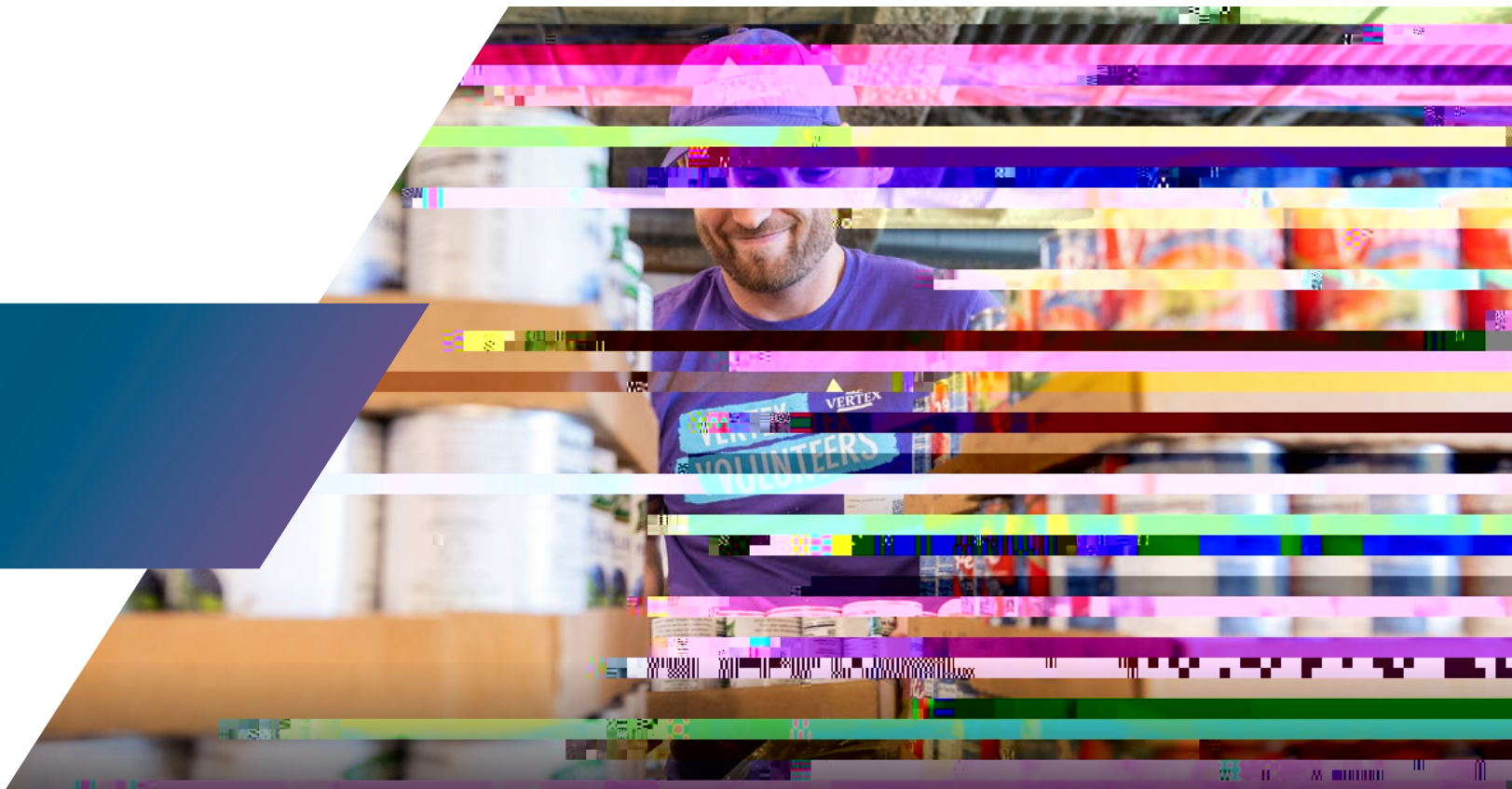
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S H F

We have several initiatives in place to support quality of life for families of those living with serious diseases.

In 2023, the Vertex Foundation Scholarship awarded scholarships to 86 people with CF and their family members in 32 U.S. states and five Canadian provinces. More than \$2.6 million has been awarded since the scholarship program started in 2017.

We also are a committed supporter of the Massachusetts General Hospital Comprehensive Sickle Cell Disease Treatment Center, which aims to increase the quality of care for patients with SCD across the greater Boston area. The Center builds upon community relationships to continuously learn about the needs of the community and raise awareness of the resources and positive patient outcomes that result p14 (atm bu050 0 69 BDC6esuc6esuc6esu19 18at rsoundatith rt qualiwn hang (en-GB)/MCID 1874 BDC BT9 0 0 9 2ompr7h9 0 n-













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Special Note Regarding Forward-Looking Statements

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