

# 2020 UK Gender Pay Gap Report

This is the second gender pay gap report developed by Vertex in response to an initiative by the UK government that requires companies employing over 250 people to publish annual gender pay gap data. The gender pay gap is the difference between the mean and median hourly earnings of men and women across all jobs, at all levels within one organisation. The figures show our mean (average) and median (middle point) gender pay gap based on hourly pay rates as of April 2019 using payroll data as the source. The mean and median bonus gaps, including cash bonus and equity payments, are calculated using payroll data for the 12 months period prior to April 2019. The disclosure covers all of our UK staff in our London and Oxford locations.

## Vertex's Equal Pay Commitment

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

We are committed to building an outstanding, committed and passionate team at Vertex. We do our best work for patients when we foster a culture and environment where all points of view are respected and heard. At Vertex, we view diversity as a catalyst for innovation, and as a key driver in making better decisions and achieving the best outcomes.

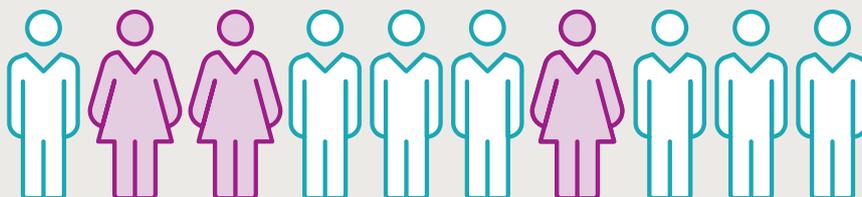
Additionally, we have a strong commitment to enhancing diversity and inclusion at Vertex and are proud of the progress we have made globally:

Women at Vertex make up  
**51%**  
of employees globally



**41%**

of our global leadership are women (Vice President and above), including our incoming CEO (effective April 1, 2020)



**30%** of Vertex Board of Directors are female\*

\*Information taken from Vertex USA website <https://www.vrtx.com/about-us/board-directors/> Last accessed: April 2020.

# Vertex's Gender Pay Gap

Gender pay gap figures relate to the information gathered from the snapshot date of 5<sup>th</sup> April 2019. The figures show our mean and median gender pay gap based on hourly pay rates as of the snapshot date, and the mean and median bonus gaps, including cash bonus and equity payments, for the time period of April 2018 to April 2019.

The figures that you will see published this year will show that we do have a gender pay gap in the UK at the time of this calculation. Our analysis shows that this pay gap arises due to having fewer women in senior leadership roles, not because one gender is paid higher than the other for the same job. In other words, at the time of this calculation, Vertex had more men than women in senior positions. Since then, Vertex has made several important senior hires, of whom many are women in leadership roles. As our more recent senior female leaders continue within the organization, we expect the gender pay gap to reduce over the coming years.

The pay gap reported is also impacted by the timing of equity earnings. With bonus equity payments, we will see a lag for several years, as these payments are primarily driven by long term incentives and the longer standing senior members at Vertex are male. If our plans to address the gender balance in senior positions work as expected, we will see this change over the coming years.

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



## Mean & Median Pay Gap

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



## Mean & Median Bonus Gap

The difference in average bonus paid to male and female employees



## Bonus Proportion

The proportion of male and female employees who received a bonus



## Quartile Pay Bands

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

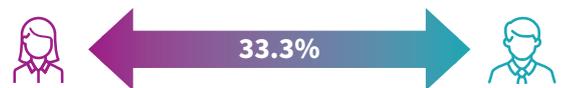
### Bonus proportion



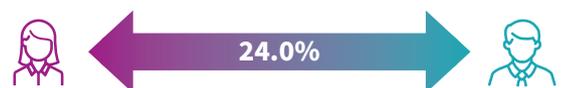
Median bonus pay gap  
**36.8%**

Mean bonus pay gap  
**47.1%**

### Median pay gap

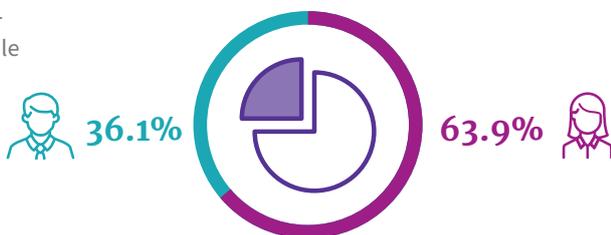


### Mean pay gap



### Vertex Pay Quartiles

Lower quartile



Lower middle quartile



Upper middle quartile



Upper quartile



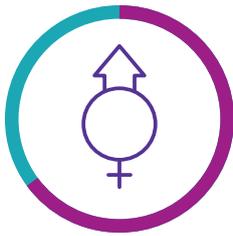
# Our Commitment to Closing the Gap

Vertex strives to create an equitable and diverse workplace. We recognise that each employee brings diverse perspectives and strengths, and, by embracing those strengths and celebrating differences, we inspire innovation together.

Our goal when hiring is to ensure a diverse range of candidates and it is important to us that we hire not only for proven experience but also for future potential. We consistently review our talent acquisition processes to identify areas where we can improve diversity in our workplace.

- Job descriptions are gender neutral or gender inclusive and agencies are required to send us a diverse range of candidates for our roles. The aim is to have an equal number of male and female candidates whenever possible.
- Steps are taken to ensure we have gender equality on interview panels, and we provide training for hiring managers and interviewers on unconscious bias.

## How are we closing the Gender Pay Gap?



In 2019, **65%** of all promotions in the UK were for women



The promotion rate of women is **2x higher** for all the levels (**22%** vs **11%**)



In 2019, promotion rates at Director level and above were **22%** for women compared to **3.7%** for men

## Our Commitment to a Diverse Workforce

We already have several Diversity & Inclusion (D&I) and Employee Resource Group (ERNs) initiatives established and continue to ensure these are more strategic and better integrated into the business. As part of this work we are:

- Building on our culture which firmly supports women at work, including flexible working, parental leave and a return to work program.
- Continuing to support women through Inspiring Women in Leadership and Learning (IWILL), our established network that inspires and supports women in leadership and learning, which includes mentoring programs and leadership training.

*"At Vertex we recognise the importance in ensuring all employees are able to be their authentic self at work. While we can confirm men and women are paid equally for equal work, we understand that we do have a gender pay gap and are committed to addressing this. We know that each employee brings diverse perspectives and strength, and by embracing those strengths and celebrating differences, we inspire innovation together. I confirm the gender pay information and data reported for Vertex in the UK are accurate and have been calculated according to the requirements of the Equality Act 2010 (Gender Pay Gap Information) Regulations 2017."*



**Anne-Soline Thorndike**

Vice President,  
Human Resources Business Partner



*"The gender pay gap is something we take seriously – that's why we're taking steps to actively address it, including increasing the number of women in leadership roles and measuring gender representation across all of Vertex's locations, on an ongoing basis."*



**Ludovic Fenau**

Senior Vice President,  
International Commercial Operations

