



# Supplier Code of Conduct

FOR THIRD PARTIES SUPPORTING VERTEX



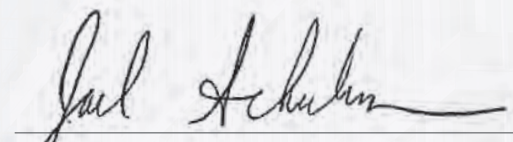
## A MESSAGE FROM LEADERSHIP

At Vertex Pharmaceuticals Incorporated (Vertex), we recognize that now, more than ever, enabling strong business partnerships is critical to our success. The patients we serve rely on Vertex to ensure we can continually develop, produce, and distribute our medicines on a reliable and dependable basis. They expect Vertex to continually challenge itself to find new solutions and innovative approaches that will result in transformative therapies for unmet medical needs. In turn, we need the same drive and commitment from our suppliers.

As such, Vertex will select and engage with those third party providers who 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 as well as continuous improvement, support the communities they live in, and who operate in a socially and environmentally responsible manner.

Naturally, good relationships require commitment from both sides. These guidelines provide not only our expectations, but define our commitment to open communication, collaboration, and acting with integrity. Vertex sets high standards for ensuring we conduct our business ethically and in accordance with the law. We have the same expectations for our third party business partners.

Our mission is to transform the lives of people with serious diseases through innovative drug discovery. By working together, we are confident that we can achieve this goal, and at the same time build relationships that are mutually beneficial and long lasting.



JOEL SCHULMAN  
Vice President, Strategic Sourcing



DAMIAN WILMOT  
Senior Vice President, Chief Risk & Compliance Officer



# Our Commitments

### HONESTY, INTEGRITY AND TRUST

- We will not mislead or make promises we know we cannot keep.
- We respect your confidentiality and will not share prices, terms or other confidential information with your competitors.
- We will maintain confidentiality as defined in our Agreements, including limiting access to supplier information to only those employees who have a direct need-to-know.
- We will operate our business in compliance with all applicable laws and regulations.

### COLLABORATION AND COOPERATION

- We will strive to keep you abreast of any changes that affect your operations.
- We are always interested in new ideas to improve our performance and processes.
- We will respect your own policies and rules regarding interacting with biotechnology companies like Vertex, provided the information is shared, understood, and acknowledged accordingly by us.

### OBLIGATION AND RESPONSIBILITY

- We will advise you as soon as possible of any extenuating circumstances that prevent us from meeting our obligations.
- We will document in writing our business commitments and instructions, including purchase orders as well as change requests as soon as known. Verbal instructions will be followed-up with written contractual documentation by an authorized Vertex employee in order to be viewed as a commitment.
- We will operate our business to high ethical standards, in full compliance with legal and regulatory requirements, with respect and dignity for all individuals both internally and externally, and in a socially and environmentally responsible manner.

### OPEN COMMUNICATION

- We will communicate clearly and concisely.
- All communications will be conducted in a professional manner; we will always demonstrate respect for all individuals.
- We welcome your review of our performance as well as suggestions for improvement.

### SUPPLIER DIVERSITY

- Our commitment to diversity is reflected in our values and across our organization, which extends to our supply base. As such, we will provide an equitable opportunity for small and diverse suppliers to compete for our sourcing opportunities.
- We embrace the diversity of our employees and celebrate the creative value that individuals with different backgrounds and talents bring to Vertex.

We take these commitments very seriously. Please inform us if we neglect any of these principles and, if problems persist, please contact our Vice President, Strategic Sourcing. If you feel that a Vertex employee, or anyone acting on behalf of Vertex, has engaged in behavior contrary to our Code of Conduct or that may be illegal or otherwise inappropriate, please contact our Compliance Alert Line at: <https://secure.ethicspoint.com/domain/media/en/gui/35748/index.html> (all countries) or 1-888-507-5631 (U.S.).



# Our Expectations

## VALUES AND BUSINESS OPERATIONS

### UNCOMPROMISING HONESTY AND INTEGRITY

- Always stand behind your commitments (delivery, quality, cost, service, lead time, and continuous improvement) and take responsibility for any non-compliance.
- Never mislead or make promises you cannot keep in order to obtain or maintain our business.
- Maintain accurate records, including financial statements, and be willing to share such information to Vertex upon request.

### TRANSPARENCY

- Proactively notify us of major changes in your business that may have an impact to Vertex including changes in strategic direction, executive management, significant acquisitions/divestitures, pending or potential labor unrest/strikes, operational/manufacturing/disruptions, material shortages, as well as any regulatory or legal notices or fines.
- Proactively inform Vertex immediately in writing of any actual or potential conflicts of interest relevant to supplier’s performance in support of Vertex; regulatory and/or statutory non-compliance incident; or failure to abide by the requirements set forth in our Supplier Code of Conduct.

**CONFIDENTIALITY AND INTELLECTUAL PROPERTY PROTECTION**

- Abide by your commitments to maintaining confidentiality and intellectual property protection as defined in our Agreements including limiting access to Vertex information to only those employees who have a direct need-to-know. This includes having clear processes in place to safeguard such information including training to ensure employees understand these expectations.

**ETHICS**

- Instill a culture of adherence to compliance and safety in all aspects of your business including all applicable international, country/federal/national, state/provincial, and local laws, regulations, industry codes, standards and government agency requirements.
- Ensure a strict zero-tolerance policy regarding the acceptance or offering of bribes or other forms of corruption, including any actions that could be construed as bribes, meant to influence business decisions. This includes gifts, money, hospitality, grants, scholarships, service arrangements, or other forms of payment/incentive, whether provided directly or indirectly, that could be seen as an attempt to compromise or improperly influence a business decision for their own organization or Vertex.
- Conduct your business consistent with fair and vigorous competition and in compliance with all antitrust laws. Employ fair business practices that include accurate, transparent, and truthful advertising and pricing.
- Have a zero-tolerance policy regarding criminal facilitation of tax evasion and immediately notify Vertex of actual or suspected activity.
- Comply with all applicable trade regulations, including licensing requirements, embargoes, and/or other trade restrictions that have been approved by national and international authorities.
- Be familiar with, and fully comply with, all applicable Vertex policies, procedures and guidance. If unsure, then proactively inquire.
- Openly and willingly comply with Vertex’s risk assessment and qualification processes, including anti-corruption/anti-bribery and reputation due diligence, which may occur prior to and throughout our business relationship. This may include on-site audits, including quality audits, to assess and verify that you can meet our specific product or service requirements (which may include review of control systems, quality plans, specific capabilities, operating policies and supporting documentation).
- Ensure that Vertex is notified of the use of all subcontractors providing goods and/or performing services on our behalf. Where contractually obligated, confirm Vertex approval of such use prior to any engagement.
- Promptly report any actual or suspected violations of the law, regulations, or Vertex policies and procedures to Vertex as soon as identified.
- Where applicable, be familiar with and fully meet all applicable Pharmaceutical/ Biotechnology industry regulations and standards related to each country of operation.



**HUMAN RIGHTS AND WORKPLACE**

- Do not engage in any forms of forced slavery including bonded, indentured or involuntary prison labor. Employees should be free to leave their employer at their own discretion.
- Treat your people fairly, equally and with respect. Do not tolerate abuse or harsh treatment of any kind including sexual harassment, sexual abuse, mental or physical coercion, or verbal abuse, including the threat of such treatment.
- Any discrimination in hiring, training, promotion, compensation, or other such area based on race, color, age, sex, sexual orientation/identity, ethnic group, marital status, handicap, religion, membership of a political party, membership in a trade union, or other classification must be prohibited.
- Under no circumstances shall child labor be employed.
- Work hours must be in compliance with country regulations. Furthermore, payment to employees shall be in compliance with applicable wage laws including minimum hourly and overtime wages as well as mandated benefits. Suppliers shall communicate with their employees the basis on which they are compensated in a timely manner, including whether overtime is required and the corresponding overtime wages.

- Employees shall be able to freely communicate with their supervisors regarding their working conditions, compensation, or voice other concerns without the fear of retribution, intimidation, termination, or harassment. Suppliers shall respect the rights of workers, as set forth in local laws, to associate freely.
- Embrace diversity. Ensure your human resource practices reflect efforts to increase diversity within the workplace.

**ENVIRONMENTAL, HEALTH, AND SAFETY (EH&S) RESPONSIBILITY**

- Operate your business in a proactive, environmentally responsible manner that is intended to protect the health and safety of all employees.
- Have a written and active EH&S program, including training programs, and ensure of its implementation. This includes integrating environmental sustainability practices into your business activities and plans as well as defining emergency response plans for employees.
- Suppliers whose operations include handling and/or working with hazardous materials, chemicals, or other potentially harmful products must ensure that employees are properly trained and that safety information material related to such products and their potential risks are readily available for affected employees. In addition, suppliers shall have programs in place to prevent or mitigate accidental and/or catastrophic release of hazardous materials and chemicals into the environment.
- Ensure all emissions to air, water, and land are in compliance with all laws and regulations. Proper management of all effluents, emissions, and solid waste are to be documented in an EH&S Plan.



**INSIDER TRADING**

- Given Vertex is a publicly-traded company, it is expected that third party providers will prohibit employees from insider trading based on confidential information shared by Vertex that reasonable investors would consider important for buying or selling of securities. This includes sharing of such information for personal gain and/or gain of others.

**FINANCIAL STABILITY AND HEALTH**

- Demonstrate financial health by sharing your audited financial statements, when requested as part of our normal risk assessment and due diligence, and immediately informing Vertex of significant business changes.
- Proactively inform Vertex, of any capital investments you deem necessary to support Vertex’s business, prior to making any financial commitments.

**DISASTER RECOVERY/BUSINESS CONTINUITY**

- As best practice, ensure a disaster recovery plan is in place.
- For those suppliers supporting our product manufacturing needs or other suppliers deemed critical by Vertex review and update the disaster recovery plan at least annually.

**DATA PRIVACY**

- Comply with all regulations related to data privacy. Only use Vertex personal data as necessary to provide services to Vertex and consistent with your agreement with us. Only share such data with third parties, such as subcontractors, as part of providing your services or at our direction. Similarly, you should not share any third party data with Vertex which has not been expressly permitted by that party or is not already in the public domain. If you accidentally use or share data for any other purpose than what is permitted under our agreement, you must report this to [privacy@vrtx.com](mailto:privacy@vrtx.com) immediately.
- Ensure effective organizational and security measures are implemented to safeguard all such personal data covered under data privacy rules and regulations including any subcontractors. Any security incident involving a system that houses our personal data must be reported to [privacy@vrtx.com](mailto:privacy@vrtx.com) without delay.
- All employees who have access to Vertex personal data must be appropriately trained to ensure the protection of this data. Also, access to such data must be limited to only those with a direct need to know to perform their job on behalf of Vertex.
- When personal data is no longer necessary for doing business with Vertex, you should proactively contact us to determine whether to return such information or to certify its destruction.

## RESEARCH AND DEVELOPMENT PRACTICES

(WHERE APPLICABLE)

- Ensure all research and development work conducted on behalf of Vertex is performed to the highest ethical standards and practices and is fully compliant with all statutory laws, regulations, and internationally-recognized quality and safety standards applicable to the work being performed.
- A humane approach must be adopted in the care and treatment of all animals used in research studies, consistent with meeting the necessary scientific objectives. Alternatives to animal use should be used whenever scientifically valid and acceptable to regulatory agencies.
- Immediately inform Vertex of any actual or potential non-compliance issues.

## PRODUCT PROTECTION AND SECURITY

(WHERE APPLICABLE)

- Work diligently to ensure the integrity of our products throughout all points in our supply chain.
- Immediately contact Vertex in the event of any incident related to counterfeit, tampered, mislabeled, and/or illegally traded Vertex products and support any related investigation.
- Ensure procedures are in place, and workers are properly trained, to monitor and track Vertex products when under your control.

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These guidelines are not intended to replace, supersede, or conflict with any contractual obligation with Vertex nor with any applicable legal and/or regulatory requirement. As part of our third party evaluation process, Vertex will seek to understand how potential providers comply with the expectations defined in our Supplier Code of Conduct. This input will form a part of our supplier selection process.

We will expect our supplier-partners to have management systems in place that demonstrate their commitment and accountability to these concepts, with mechanisms in place to identify and manage risks for each area addressed by this document, and to maintain documentation to demonstrate conformance. Furthermore we look for supplier-partners who strive for continuous improvement in adherence to this Supplier Code of Conduct.

We hope this document provides you with a better idea of who we are and how we want to conduct business. We look forward to building a lasting and mutually beneficial relationship.





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