July 20, 2020

SUBJECT: COVID-19: West Update

Dear Valued Customer:

As we continue to monitor the ongoing COVID-19 situation across the globe, our priority at West remains consistent - to support you and all of our customers, as we adapt to the logistics and supply challenges that are outside of our scope of control. In an effort to provide consistent communication, we have outlined the following business updates based on the pandemic.

To date, our West global facilities have operated largely to schedule, and we expect to continue normal operations for the foreseeable future. We are pleased to say the same for our close partner, Daikyo Seiko. West is at the forefront supporting many customers that are developing potential solutions to address COVID-19 with components for diagnostics, anti-viral therapeutics and vaccines, therefore we are experiencing higher than anticipated demand related to that support. To address this immediate demand, we will continue to work to prioritize orders to ensure supply of critical products. For the longer-term, we are committed to doing our part to speed the successful development and large-scale manufacture of high-quality components required for our customers’ COVID-19 solutions, which includes expanding labor and equipment resources.

Protection of our Sites and Manufacturing Facilities:
Our sites and facilities are open with restrictions based on country, state and local guidance. At this time, our business continuity plans continue to mitigate risk and supply disruption due to COVID-19.

We continue to restrict all travel of our team members, and we continue to restrict all visits by external customers and suppliers to our West facilities. This ban is currently in effect until October 2020. Given the fluid nature of the situation, this date may be extended. We will keep you informed.

Sourcing and Raw Materials:
We are closely monitoring our supply chain, including Daikyo, and at this time, do not foresee any negative impact from direct or indirect suppliers. West sources raw materials and proprietary medical device components from across the globe. To date, we have had minimal issues and do not foresee any issues of concern in receiving raw materials that would impact our ability to manufacture products.

Delays in Transport:
The ability to access dependable transportation continues to be a focus for our logistics teams. For air and sea shipments, we continue to experience delays of up to two weeks. For ground shipments in the EU, we are experiencing minimal delays. Ground shipments in the US are starting to have service issues as areas of the country are experiencing an increase in COVID-19 cases. We are informed daily of delays in transport and where transport is available, substantial increases in costs are being imposed, which could result in additional customer surcharges. This is an evolving situation and it is beyond our control. We are in regular communication with our transport partners and are working to resolve issues on a day-by-day basis.
Business Continuity and Planning:
Like most of you, our Global and Regional Pandemic Preparedness and Crisis Management teams are conducting business impact analyses and developing contingency plans in the event that the COVID-19 situation degrades operations or necessitates temporary closure of any of our sites, or more limited production at our sites. These teams are planning for screening of vendors and team members, as appropriate, evaluating and attempting to mitigate the impact on our plants.

Sales, Order Flow and Cancellations
We have received requests by a few companies to increase their orders. This is natural when there is a global or regional crisis as companies seek to ensure they have sufficient stock of packaging materials to support their operations. We are monitoring order flow to ensure that we are able to address true demand. At this time, we request that all customers continue to order volumes in alignment with their ordinary inventory requirements. We will only provide product beyond normal requirements on an exceptional basis.

In these high-demand times, canceled orders can place a significant burden on our operations and supply chains. As we schedule the utilization of our network to optimize production, cancellations pose a serious risk of disruption to our operations and result in a wasted expenditure of limited resources and time. Cancellations can negatively impact our ability to serve global healthcare needs during a time when these services are more critical than ever. Orders that we have accepted on and after May 8, 2020 are not cancelable. This is also true for any order prior to that date that West has agreed to prioritize. If a customer requires a modification, delay or acceleration of an order, a request may be made through the West sales professional assigned to your account, and they may be subject to payment of fees or surcharges.

Our West sales and service professionals are available and will continue to keep you informed, as we stand by your side to provide components that are critical to the containment and delivery of injectable medicines during these uncertain times. Should you have specific customer inquiries, manufacturing and supply chain questions or general concerns, please contact us at the email address below, Global.WestCoronavirusUpdate@westpharma.com.

We appreciate your support during this difficult time.

Sincerely,

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