









# THE POWER OF PLUS

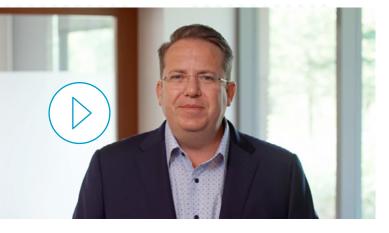
When We Come Together, Great Things Happen

# TABLE OF CONTENTS



- 3 WEST + PERSEVERANCE
  - 3 A Letter from Our President & CEO
- 4 ABOUT WEST
- 5 NOTABLE AWARDS & EXTERNAL ORGANIZATIONS
- **6 MATERIALITY ASSESSMENT**
- 7 WEST + PLANET
  - 8 Environment
- 10 WEST + PEOPLE
  - 11 Health & Safety
  - 13 Diversity & Inclusion/Talent Acquisition
  - 16 Philanthropy
- 18 WEST + GOVERNANCE
  - 19 Quality
  - 21 Compliance & Ethics
  - 23 Enterprise Risk Management (ERM)
- 24 THANK YOU ESSENTIAL WORKERS
- 25 UNGC
- 26 GRI INDEX

#### WATCH VIDEO



**Eric Green**President & CEO – Exton, PA

66 At West, we are guided by our core values of Passion for Customers, Leadership in Quality and One West Team, and these values also underpin our Corporate Responsibility strategy."

# WEST • PERSEVERANCE

### **A Letter from Our President & CEO**

At West, we are guided by our Core Values of Passion for Customers, Leadership in Quality and One West Team. These values were top of mind in 2020 as we worked to serve as a critical link in the supply of vaccines, treatments and diagnostics needed to battle the COVID-19 pandemic. These same values are at the heart of our Environmental, Social and Governance (ESG) initiatives, which are embedded in our long-term business strategy and aligned within six key pillars: Compliance and Ethics, Diversity and Talent, Health and Safety, Philanthropy, Environmental Sustainability, and Quality.

In 2019, we exceeded our initial 5-year ESG initiatives in just three years and raised the bar higher with a new set of 5-year goals. In 2020, I am proud to say that we are off to a strong start to achieve these new goals, and we continue to make significant progress with good momentum towards our stated reduction goals for Waste, Energy and Water usage. You can read more about our progress against these goals and other accomplishments in this annual Corporate Responsibility (CR) Report. Later this year, we will publish a supplement to this CR Report incorporating the SASB and Taskforce on Climate-related Financial Disclosure (TCFD) ESG standards.

Also, of particular note in this challenging year, is the work our teams did to ensure team member safety and support the unique needs of our communities. Team member safety has always been a critical element of our strategy, and the onset and rise of the pandemic

required elevated safety measures and a greater focus on the overall health and well-being of our team. Our top priorities throughout 2020 were to 1) keep our team members safe and 2) ensure an uninterrupted supply of products to our customers. We recognized the incredible stress that the pandemic caused so many people to experience, so we increased our communication to check in often with team members to assess their needs, and offered enhanced mental health support services, recognition bonuses, and grants to offset childcare costs. We also provided special COVID-pay for those missing work due to the virus and needing to care for themselves or their family.

The same team that worked so hard to deliver on our promise to customers and the patients we serve also banded together as One West Team to give back to the community throughout 2020. Team members who were unable to gather at work for group volunteer activities stayed connected virtually to support local organizations. In addition, West team members increased their personal philanthropic donations, which were in turn matched by the Herman O. West Foundation, by an impressive 70% – a testament to our team members' generosity. At the corporate level, West announced an additional \$1 million in grants to nonprofits making important contributions during the COVID-19 pandemic, including the American Red Cross, the COVID-19 Solidarity Response Fund for WHO (World Health Organization), the American Nurses Foundation, No Kid Hungry and Philabundance, a food security organization local to our headquarters in Exton, Pennsylvania.

We continue to reaffirm our commitment to live by our One West Team value that calls on us to respect each other, drive collaboration, and to embrace diversity and inclusion in our workplace. I am proud of the strides we have made in this area– from new team members hired at all levels in our manufacturing sites to the diverse representation on our Executive Leadership team at West.

We were pleased to be recognized this year by a number of organizations for our work in these and other key areas of our CR strategy, including recognition in Barron's as a Top 25 Performer of the 100 Most Sustainable Companies in America and in Investor's Business Daily, where West ranked fourth among the Top 50 Best ESG Companies. We will continue to strive to meet our stakeholders' needs across all six pillars of our strategy, and the long-term goals we have put in place will allow us to continuously improve in this important area of our business.

West's mission is to improve patient lives through the containment and delivery of injectable therapies. We have proudly served in this role for 98 years and intend to maintain and grow our presence well into the future with a commitment to ethically, socially and environmentally sound business practices.

Sincerely,

Eric M. Green



### **WEST FACTS**

20 Countries with West presence

50 Locations and 25 Manufacturing Sites

>100M Components Produced Daily

\$2.147B in Net Sales 2020

~10,000 Team Members Globally

# A B O U T W E S T

## **Our Company**

West Pharmaceutical Services, Inc. is a leading provider of innovative, high-quality injectable solutions and services. As a trusted partner to established and emerging drug developers, West helps ensure the safe, effective containment and delivery of lifesaving and life-enhancing medicines for patients. With almost 10,000 team members across 50 sites worldwide, West helps support our customers by delivering over 40 billion components and devices each year.

Headquartered in Exton, Pennsylvania, and in business for nearly a century, West in its fiscal year 2020 generated over \$2.15 billion in sales. West is traded on the New York Stock Exchange (NYSE: WST) and is included in the Standard & Poor's 500 index.

#### **Our Mission, Vision & Values**

#### **OUR MISSION**

To contain and deliver injectable therapies that improve patient lives

#### **OUR VISION**

To be the world leader in the integrated containment and delivery of injectable medicines

#### **OUR VALUES**

- Passion for Customers
- Leadership in Quality
- One West Team

#### **Our Products & Services**

West offers a unique combination of products and services, including proprietary packaging, containment and drug delivery products, as well as contract manufacturing, scientific insight and technical expertise. West's products range from stoppers and seals for injectable packaging systems, to self-injection and reconstitution systems. Some of the Analytical Services that West offers include

extractables & leachables (E&L), particle and container closure integrity analysis. Our Integrated Solutions Program combines West's high-quality packaging and delivery products with our expert analytical testing, device manufacturing and assembly, regulatory expertise and more.

West's Contract Manufacturing services offer healthcare partners quality, safety and reliability in injection molding, contract assembly and finished packaging services. The West Contract Manufacturing team serves its partners' needs by providing a single-source solution from product conceptualization through manufacturing and final packaging.

#### **Our Role in the COVID-19 Pandemic**

West is supplying primary packaging components for therapeutics used to treat COVID-19, as well as critical components that are included in some of the diagnostic kit products that are being used to detect COVID-19 antibodies. The Company is also providing high-quality components for the large-scale manufacture of the majority of the COVID-19 vaccines being developed.

#### 2020

# W E S T A W A R D S

In 2020, West was honored to be recognized by a number of organizations, industry associations and media outlets. These awards serve as a testament to West's commitment to supporting our communities, caring for our environment, offering innovative products, and nurturing a culture of diversity and inclusion.



**Top 25 Performer of 100 Most Sustainable Companies** in America Barron's



Ranked #4 in Top 50 **Best ESG Companies** Investor's Business Daily



Medtech Ireland 2020 Partner of the Year



Named as S&P® 500 **Dividend Aristocrat** 



**Minority Business Leaders Award** Silji Abraham Philadelphia Business Journal



**CFO of the Year Award** Bernard Birkett Philadelphia Business Journal



**Faces of Philanthropy Award** Canine Partners for Life Philadelphia Business Journal



**Asia Pacific Bioprocessing Excellence Awards (ABEA)** (Best Bioprocessing Supplier Award: Fill-Finish)

### **External**

# O R G A N I Z A T I O N I N V O L V E M E N T

West is an active member of many industry, trade and other collaborative organizations, which promotes accountability and helps us stay connected and engaged with others in the industry.

















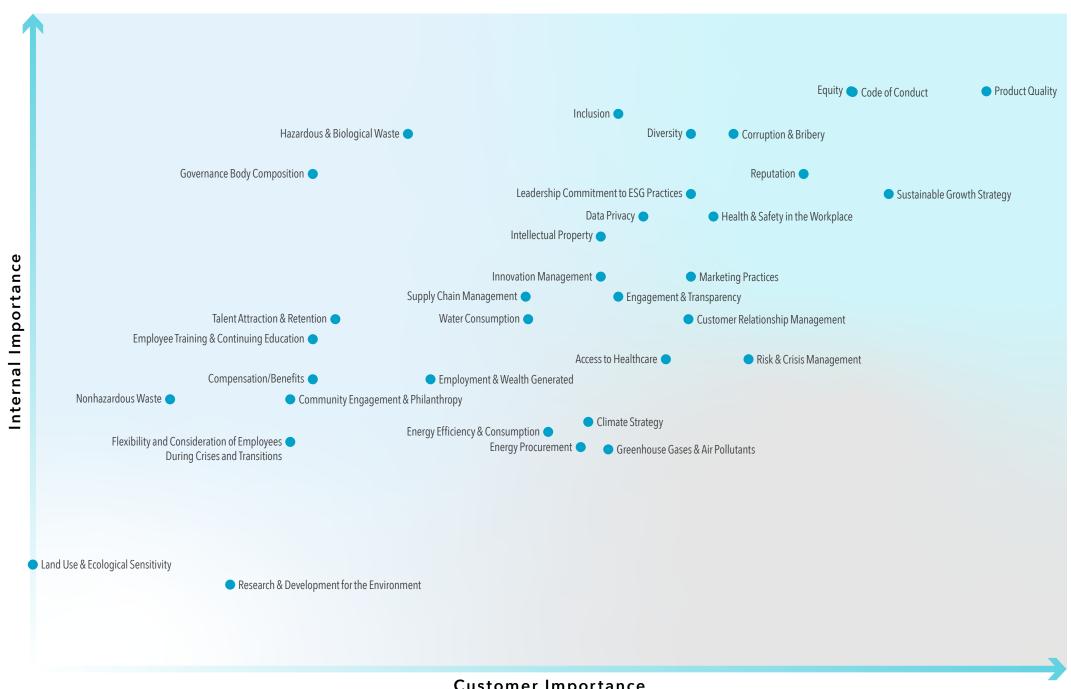








# MATERIALITY ASSESSMENT



Our materiality assessment helps us identify and prioritize the environmental, societal and economic issues that are most important to our business and our stakeholders. Through a survey of internal stakeholders and customers, we were able to analyze the issues most relevant to our business growth and customers' goals.

To achieve this, we asked survey respondents to assign value with relevance to the company in mind, as opposed to which were the greatest issues facing the world. Conducting this thorough analysis helps us move towards a more holistic approach in our ESG strategy, and better identify where to focus our internal resources. This process also helps increase our transparency and engagement with customers and shareholders, a main goal of West's.

Our materiality assessment results are summarized and plotted on the materiality matrix shown here, with their position relative to the degree of internal and external stakeholder interest and potential business impact.

# WEST • PLANET

WATCH VIDEO



**Steve Walton**VP, HSE & Corporate Responsibility – Exton, PA

66 Together, we are working to build a safer and more sustainable world for our business and our communities." In this section of our Corporate
Responsibility Report, you'll read about
West's commitment to our environment,
and how each of us working together
can make a difference in contributing to
a sustainable future. As a company with
the mission to improve patient lives,
it stands to reason that we are equally
committed to a sustained investment
in creating a healthier environment.

As a result of West's critical role in providing packaging components for COVID-related vaccines, therapeutics, and diagnostic kits, we saw an unprecedented increase in production in 2020. Even through these trying times we remained focused, and although the unplanned significant increase in production created challenges, the impacts of the pandemic did not alter our commitment to our sustainability strategy.

We are happy to report that West is now a signatory to the Task Force on Climate-related Financial Disclosures (TCFD). By signing onto TCFD, West is affirming our commitment to fiscal transparency for our investors and customers, as well as being a leader in addressing the current climate emergency. We aim to incorporate TCFD disclosures into our CR Report over the next few years, and will be reporting in accordance with TCFD before the end of 2021.

Moving forward, whether we are facing a crisis or in a period of calm, improving the positive impact, as well as reducing the negative impact we have on our environment through improvements in the areas we feel we can have the greatest impact: CO2 emissions, waste and increased recycling, and energy and water usage.

## ENVIRONMENT

1 77.4%
Global Waste that was Landfill Free in 2020
Improved from 52% in prior year

13.86%
Energy Intensity Improvement in 2020 when compared to 2019

↓ 1.1%

Reduction in Absolute Emissions

1 1.87%
Water Intensity Improvement in 2020 when compared to 2019

West believes that, as a global organization, we have a duty and obligation to contribute to building a healthier world and that each of us, working together, can make a difference. We strive to be stewards of a sustainable future by factoring environmental considerations into every aspect of our business. We believe that sustainable practices are directly related to sustainable economic performance and the creation of healthy communities.

The pandemic created many challenges for us in 2020, and while our top priority was keeping our team members safe and healthy, we continued to maintain focus on our sustainability targets, even with the unplanned and unprecedented significant increase in production needed to support our customer's critical COVID-related needs. Although this production increase did require a higher overall output in energy and water usage, we continued improving our efficiencies, resulting in a higher output of product per unit of energy and water used.

Our Sustainability Program is designed to target reductions in areas where we feel we can make the greatest impact: CO2 emissions, waste and increased recycling, as well as energy and water usage.

- Our absolute CO2 emissions have continued to improve. West has a goal of reducing our absolute emissions by 10% over 5 years (2019 – 2023). We realized an improvement of 1.1% on absolute emissions in 2020 over 2019, supported by an increase of renewable energy being used at our manufacturing sites.
- West's six Contract Manufacturing sites recycled 84% of their total waste in 2020. 77.4% of all global waste was landfill free in 2020, an improvement from 52% in 2019.
- Although overall energy output increased because of the increase in COVID-related production, our 2023 Energy Intensity goal improved by 3.86% in over the previous year. This means that we are realizing a higher output of product per unit of energy consumed.
- Similarly, although we had higher water usage in 2020 as a result of increased production, we achieved a 1.87% improvement in the water intensity required to produce our products.

Alignment with UNGC Sustainable Development Goa



# ENVIRONMENT

(continued)

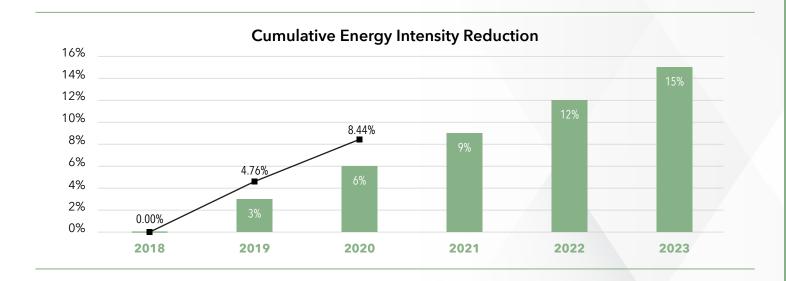
WATCH VIDEO



**Keith Henderson**Global Facility Energy Manager – Dublin, Ireland

66 I'm very proud of the role
I play in supporting our local
teams in their sustainability
commitment."

As a testament to our continued commitment to sustainability, in 2020 West was honored to achieve several accolades, including being named as a Top Performer of 100 Most Sustainable Companies in America by Barron's, and receiving a #4 ranking in Investor's Business Daily Top 50 Best ESG Companies. In addition, we were pleased to receive MSCI's highest ESG Fund rating of AAA – which places us as a leader within the top 5% of the 93 companies within their healthcare equipment and supplies industry category.



### 2019 - 2023 GOALS

Reduce energy intensity by 15%

Reduce absolute emissions by 10%

Reduce water intensity by 10%

Reduce waste-to-landfill by 90%

### WATCH VIDEO



**Annette Favorite**Sr. VP and Chief Human Resources Officer – Exton, PA

66 We know that building a sustainable future is dependent upon ensuring equality for everyone — one cannot exist without the other."

# WEST • PEOPLE

#### **A Commitment to Our Team Members**

Over the next several pages, you will read about West's social commitment and the values that drive us to support the safety of our team members, embrace diversity and inclusion, develop and retain top talent, and give back to our communities.

As the 2020 global health crisis created daunting challenges, we continued to evolve our benefits programs to ensure we were meeting our team members' needs.

Our benefits promote the health and well-being of our team members, and this pandemic provided us the opportunity to demonstrate this commitment through a variety of benefits enhancements, which varied by country and included:

- Providing a total of 4 weeks paid time off for those who needed to miss work to care for themselves or a family member due to COVID-19
- Waiving co-pays to provide coverage of COVID-19 related treatment at no charge for team members or their dependents
- Providing childcare support services, including financial support, for team members whose childcare or primary schools were temporarily shut down

- Strengthening our Employee Assistance Program to ensure our team members and their families have confidential access to a wide variety of free mental health services globally
- Providing flexibility with work arrangements as most of our office-based team members were unexpectedly transitioned into work-from-home environments
- Implementing an equipment reimbursement program to ensure our team members had access to the supplies and office equipment they needed to best set them up for success while working from home

We also took the time to listen to our team and conducted a 36-hour "Future of Work JAM" on our intranet that was led by members of the Senior Leadership Team in each of our geographic regions. The JAM was an opportunity for team members around the globe to collaborate with each other, share best practices, identify pain points, ask senior leadership questions and ultimately help one another navigate through the pandemic. We saw excellent engagement at this event, with over 3,000 comments submitted, allowing us to hear valuable feedback from our team members and enabling us to co-create our future.

Equally important, we continued to build our culture that reflects the diversity of the world where we live and work, and inspires leadership, encourages innovation, and welcomes everyone.

We know that building a sustainable future is dependent upon ensuring equality and equity for everyone – one cannot exist without the other. By ensuring our team members are uniquely valued and able to work in an inclusive environment, we enable our team members to develop and contribute their best every day.

Our corporate philanthropy program continued to focus on key priorities, and despite the many challenges faced as a result of the pandemic, our team members continued to embrace our One West Team value, which was evident through their continued commitment to philanthropy, making generous donations of their time and resources.



# HEALTH & SAFETY

WATCH VIDEO



**Detlef Guse**Director, HS&E, Europe – Eschweiler, Germany

66 We continuously work every day to live up to the challenge of keeping our team members safe and healthy." The health and safety of our team members is West's top priority. Never has this commitment been more evident than throughout 2020, as we initiated numerous programs to care for our team members and their families in response to COVID-19. Operating our global manufacturing network to maintain supply of critical components for the healthcare industry amid a pandemic required an intense level of focus on health and safety.

In response to the pandemic, we implemented a variety of onsite protocols, based on guidance by the Centers for Disease Control (CDC), the World Health Organization (WHO), and a variety of other governmental health authorities. From the earliest days of the pandemic, our Crisis Management Team and Pandemic Preparedness Team met several times per week to provide West Operations the best guidance, information and standards to allow work to continue safely.

Several of the important protocols at our sites included:

- Retained a Corporate Medical Advisor to review and advise on all COVID-19 related protocols
- Performed active screening for all team members and visitors
- Mandated wearing of masks while on company property
- Enhanced cleaning protocols
- Staggered shift and break schedules and altered breakroom layouts to support physical distancing
- Implemented strict travel restrictions, including site-to-site visit restrictions as well as limited visits from customers, vendors and contractors

Because of these strict protocols, West was able to keep our team members safe and maintain continuous operations at all our global manufacturing sites.

At our sites, we focused on reducing the risk of incidents, injuries and exposure to health hazards for all team members, visitors and contractors, and we designed operating protocols for our facilities to provide a safe and healthy work environment.

We realized that the unprecedented and daunting challenges being faced by our team members, both at work and in their personal lives, had the potential to create distractions that can lead to a decreased focus on safety at work. We did see a slight increase in the number of recordable incidents as compared to 2019. Enhanced initiatives put in place by global, regional and site HSE teams in the second half of 2020 resulted in a significant decrease in incidents for the fourth quarter, a trend we have seen continue into 2021.

With ongoing education, communication and leadership support, we were able to retain our concentration on safety, and continue in our planned initiatives around Ergonomics, Hazard Identification Programs and HSE Digitalization – all supporting the HSE strategy of increasing our focus on leading indicators and enhancing our strong culture of safety.

Maintaining a safe workplace begins with instilling and supporting a culture of safety – each team member understands that they share the responsibility for safety. Our Health, Safety and Environment (HSE) and Sustainability Policy is displayed prominently at all sites and reinforces the expectations of our team members and visitors: everyone plays a role in our HSE and Sustainability process.

# HEALTH & SAFETY

(continued)

To help drive individual accountability, in 2020 we continued to hold our annual global Safety Week, much of which included physically distanced and virtual activities. Although safety is a focus all year long, this dedicated week gave the opportunity to target specific key safety-related topics, such as Ergonomics, Hazard Identification and ongoing COVID-related health and safety topics.

As we continue to adapt to an ever-changing environment, our first priority remains the same – the health and safety of our team members. We will continue to engage our team members in safety-related programs, focus on hazard identification and other preventative measures, and digitize our HSE platforms and management systems, with the goal of further reducing workplace incidents and enabling our team members to go home safely at the end of their day.

#### **2020 HIGHLIGHTS**

12-month accident-free milestone – in 2020, our Asia Pacific Region sites achieved a 12-month milestone with no recordable incidents for our sites in Qingpu, China, Jurong, Singapore, and Sri City, India

Bodmin, UK site celebrates six years with zero recordable incidents

Zero safety recordable incidents in 2020 at our manufacturing sites in Sri City, India, Bodmin and St. Austell, UK, Horsens, Denmark, and Kovin, Serbia

Bodmin and St. Austell, UK sites honored with the British Safety Council's International Safety Award



# DIVERSITY & INCLUSION

### West's Pledge

West has a long-standing commitment to diversity and inclusion (D&I), which is inherent in our Core Value of One West Team. We are in the business of helping our customers bring new medicines and treatments that advance life – for people of every background, race and belief. Our mission is an important reminder that we must continue to listen and learn from one another with safe and inclusive environments to create the path to a better future.

West's Chief Executive Officer and executive leadership team review D&I objectives throughout the year to ensure continuous focus and improvement. Today, 30% of West's Executive Leadership Team are women, with 50% being women and/or people of color. With the recent retirement of one director, West's Board of Directors is comprised of 20% women. In searches for new directors, West includes diversity as a key factor. West has made great strides over the past several years in sourcing team members from diverse backgrounds for leadership roles

across the organization. The population of senior leaders who are women and/or minorities is 39%. This year we are deepening our focus on our team members' experience. We want all to feel valued and respected and able to grow and contribute.

West prohibits and does not tolerate discrimination or harassment of any team member, customer or service provider because of age, race, color, religion, sex, ancestry, national origin, military service or application, marital status, citizenship status, physical or mental disability, genetic information, sexual orientation, gender identity or expression, or other protected characteristic under applicable laws.

The philanthropic areas that we support reflect our strong commitment to advancing D&I. For example, some areas that we support are apprenticeship programs and other STEM opportunities for young people from underrepresented communities. West also provides ongoing support to organizations focused on racial equality; for example, the UNCF, which supports minority students who are earning college degrees. West has also donated to the Equal Justice Initiative, a Montgomery, Alabama nonprofit that provides legal representation to prisoners who may have been wrongly convicted of crimes and/ or those who may have been denied a fair trial.

#### **Recruiting & Retaining Top Talent**

Diversity is a major focus of our recruiting strategy, with success measures implemented to ensure we are attracting and hiring diverse talent. One of our top priorities is building a diverse and inclusive workforce where team members are respected and feel confident in bringing their unique ideas to the table. We know that a greater variety of experiences and viewpoints leads to stronger business performance.

Throughout 2020 we partnered with a number of organizations to support our diversity in recruiting goals. Working with organizations such as Women in Tech, Wounded Warriors, Society of Women Engineers, and Young Men and Women in Charge helped ensure we are drawing talent from a diverse pool of applicants. Several of our sites also participate in a work release hiring program, which has a positive impact on the lives of formerly incarcerated individuals and their families, and is also shown to lower the recidivism rates among prisons.

We can measure our success in this area by setting recruiting diversity goals around strengthening relationships with external organizations, presenting a diverse slate of candidates for each open position, and increasing the number of diverse hires.

# DIVERSITY & INCLUSION

(continued)





# **Holly Eck**Sr. Manager, HR – St. Petersburg, FL

# **Heather Wickham**Assembly Machine Operator – St. Petersburg, FL

66 We foster an environment where people feel they can bring their authentic selves to work every day." We continue to make strides in providing a more flexible work environment for our global team members as they support their families, an effort that was accelerated by the COVID-19 pandemic. Throughout 2020, we expanded parental leave, transitional leave and alternate work arrangements, including our work from home policy that many of our team members have taken advantage of. As many of the pandemic lockdowns are ending, we remain committed to providing valuable remote work opportunities for our team members where possible, given the demands of their individual job responsibilities.

At all levels of the organization, we are committed to recruiting and retaining team members from all backgrounds that can help inform our perspective on building a healthier world. In 2020, 43% of all new hires within the United States came from a minority background. Today, 43% of our total United States workforce comes from minority backgrounds, and 37% of our global team members are female. A key aspect of our D&I strategy is ensuring that our representation metrics continue to improve every year.

#### **Team Member Experience**

Our One West Team truly touches every part of the globe. We are a group of individuals with diverse backgrounds coming together to collaborate on the common goal of bringing about a healthier world. We understand that to help retain these talented team members, we must continue embedding D&I strategies across the entire employee experience. Some of these programs include the onboarding of new team members, management training, succession planning, affirmative action plans, recruitment materials and global mentoring.

The events of 2020 provided some valuable opportunities to engage as a team on important topics. Through a series of internal communications, we asked team members to reflect, learn and act on injustices that they encounter in their own lives. West also provided resource packs to guide team members' conversations with their families.

In addition, team members have the opportunity to join our Employee Business Resource Groups (EBRGs) to connect with team members around the globe and cultivate career growth. Our EBRG structure has three EBRGs – Women's Initiatives Network (WIN), Multinational Organization Supporting an Inclusive Culture (MOSAIC), and Veterans & Allies Leading for Organizational Results (VALOR). With our Executive Team's enthusiastic support, in 2021 our EBRGs will be revitalized, and exciting new programs are expected to be developed.

We recognize our responsibility to continue building on these efforts to ensure all team members are fully supported throughout their time at West. We will continue to work hard at creating new opportunities to cultivate an environment where our team members are respected and can bring their authentic selves to work each day.

Alignment with UNGC Sustainable Development Goal













# DIVERSITY & INCLUSION

(continued)

# **Diversity Drives Innovation**

#### **WOMEN AT WEST**

37%

of West's workforce is female.

27%

of executive roles worldwide at West are held by women.

33%

of STEM degrees worldwide at West are held by women.

#### **RACE & ETHNICITY AT WEST**

44%

of West's employees in the US represent traditionally underrepresented minority groups.

23%

of executive roles in the US are held by traditionally underrepresented minority groups.

36%

of STEM degrees in the US are held by traditionally underrepresented minority groups.



DIFFERENT LANGUAGES

spoken by West team members



**37%** 

WEST MANAGEMENT POSITIONS

held by female or US underrepresented minority groups



1,668

ADVANCED DEGREES

held by West team members



20

COUNTRIES

with West presence



~10,000

TEAM MEMBERS WORLDWIDE

12% APAC, 42% EMEA, 44% North America, 3% South America



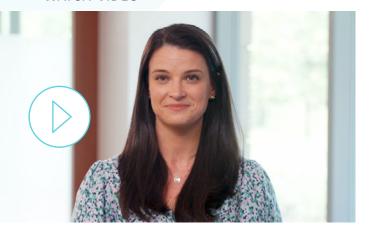
2,922

STEM DEGREES

held by West team members

# PHILANTHROPY

WATCH VIDEO



Julie D'Ascenzo Account Manager, Biologics – Exton, PA

66Helping others with time, talent or money can mean so much to someone in need."

A defining characteristic of West is our commitment to put people first - our customers, their patients, our team members and others in need, especially during challenging times. West is proud to stand by the side of the communities where our team members live and work with impactful philanthropic programs.

West targets philanthropic activities and local charities that align with our mission in the focus areas of: children, people with disabilities, healthcare, and education (with a focus on STEM - Science, Technology, Engineering and Math). The Company's charitable giving framework is separated into three tiers:

- 1. Corporate Giving through direct charitable gifts made by West Pharmaceutical Services, Inc. and its subsidiaries;
- 2. The Herman O. West Foundation, an independently managed charitable entity that meets the requirements of 501(c)(3) of the US Internal Revenue Code, which awards scholarships and matching gifts; and
- 3. West without Borders\*, our team memberled giving program that has raised millions of dollars since its inception in 2004.

Throughout the pandemic, West has stood by the side of communities to combat the consequences of the virus. West has donated over \$1 million to global and local organizations providing COVID-19 relief, including the United Nations Foundation, the American Red Cross, the Food Bank in Waterford, Ireland, and Banco de Alimentos in Puerto Rico. In 2020, Corporate and Foundation giving reached approximately \$3.2 million, including the \$1 million COVID-19 donation.

In 2020, the Herman O. West Foundation awarded 20 scholarships to the children/dependents of team members in the United States, as well as \$42,000 in grants to team members in need through our Employee Emergency Fund.

Team members are at the heart of our philanthropic programs at West. Throughout our 98-year company history, our team members have generously donated their resources and time to help support



















# PHILANTHROPY

(continued)

those in need in their local communities. Their enthusiasm for giving back breathes meaning into our Core Value of One West Team.

In a uniquely challenging year in history, our One West Team did not waver in serving their communities. Their resolve was strengthened as they saw the direct and immediate impacts of their efforts to help families in need. In 2020, team member donations increased by 70% over 2019. One example where our team members came together to help others was our annual food drive. They collected tens of thousands of pounds of food, as charities and food banks around the world experienced increased demand for life-sustaining supplies.

In 2020, West introduced Dollars for Doers, in which team members who volunteer at a West-sponsored event or capstone charity can earn funds to be donated to the charities of their choice. We are excited for this volunteering program to ramp up now following many of the COVID-19 lockdowns, and we continue engaging our team members in virtual volunteering opportunities where possible. West has also engaged in efforts to expand many of these programs beyond the US.

In recognition of our commitment to philanthropy, West was proud to receive several awards in 2020. Notably, West was awarded with a Faces of Philanthropy award from the Philadelphia Business Journal, honoring our ongoing partnership with Canine Partners for Life. Thank you to our One West Team for your humbling generosity and dedication you have shown this year to ensure that our philanthropic programs continue to thrive.

#### **2020 HIGHLIGHTS**

\$1M in donations targeting COVID-19 response efforts

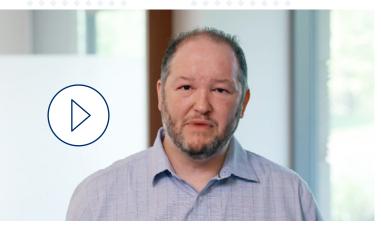
70% increase in team member donations

\$42,000 in grants to our team members in need through our Employee Emergency Fund

~20,000 pounds of food donated during our annual food drive

# WEST • GOVERNANCE

WATCH VIDEO



Ryan Metz Associate General Counsel – Exton, PA

66 Our accountability structure enables our business and empowers our team members to operate with integrity all day, every day." Strong Corporate Governance is a fundamental principle at West, and we strive to ensure we are maintaining the highest standards of quality, integrity and respect for our team members, our customers, our shareholders, and the patients we serve. We hold ourselves and our business partners, vendors and suppliers to the highest standards, guided by our Values and our Code of Business Conduct.

Our governance structure promotes accountability and ethical conduct, and is designed to ensure the long-term success of our business supported by our Enterprise Risk Management, business continuity and cybersecurity strategies.

Our governance accountability structure, which is guided by our Executive Compliance Oversight Committee, is designed to foster a consistent approach to conducting business, and enables our business and empowers our team members to operate with integrity all day, every day.



### WATCH VIDEO



Lance Xu Director of Operations – Qingpu, China

66Every team member must remember that everything they do every day has an impact on our patient's lives." QUALITY

Our Core Value of Leadership in Quality is the backbone of every decision we make at West. We partner with our customers in protecting millions of patients as they receive critical medicines. At West, this quality focus includes excellence in manufacturing, scientific and technical expertise, and management. A Patient First Focus is part of West's DNA, and we take our responsibility to maintain patient safety very seriously. As you walk through our global manufacturing sites, you can find the saying "Every Dose, Every Time - 100% Commitment" in multiple languages, reminding team members of our pledge.

This commitment took on refreshed meaning in 2020 when West adapted to partner with customers on COVID-19 solutions, as well as meet increased demand for all products. West's Quality team initiated several actions to ensure that the business maintained its state of compliance and met our customer requirements:

- Added staff to support expanded operations
- Accelerated product transfers to leverage network capacity
- Initiated qualification of new equipment, warehouses, building expansions
- Notified customers on product moves and changes within the manufacturing sites
- Managed supplier quality as they ramped up production to meet increased demand

In addition, pandemic restrictions and isolation of the manufacturing sites drove the creation of a Remote Audit program. West hosts hundreds of customer audits in a year, along with notified body audits, which are required to maintain our ISO certifications. The Remote Audit program allows customers to view the required information and interface with the site teams so that the compliance requirement of audits can be achieved.

with UNGC Sustainable Development Goals









# QUALITY

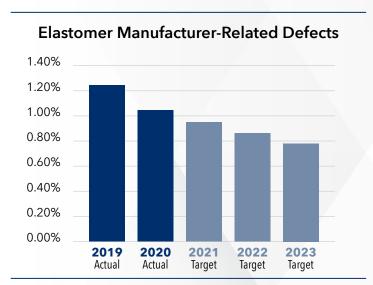
(continued)



A key metric in monitoring our process quality is Cost of Poor Quality (COPQ), which captures scrap, rejects, rework, customer returns/credits, and yield losses. In addition to pandemic-related activities, the team continued to drive COPQ initiatives to decrease the overall level of COPQ as a percentage of Cost of Goods Manufactured (COGM) in 2020. West's COPQ in 2020 achieved a 13% reduction over the previous year (6.0% versus 6.9%). When compared to external benchmarking (measured as a percentage of sales), West has surpassed the industry average of 4.2% to a level of 3.6% in 2020.

The theme of West's Global Quality Week in 2020 was COPQ, to emphasize the importance of decreasing COPQ across the organization. Team members from all functions learned about COPQ as a method to focus on opportunities for improvement, quantify the financial impact of waste and inefficiency, and highlight to management the needs of the organization. Our One West Team connected globally to discuss these topics through a series of virtual events and interactive opportunities.

In 2020, two new groups were formed in our Quality function, Digital Quality and Design Quality. The Digital Quality team was formed to support West's Digital Transformation. The Design Quality team was created to continue providing a focused support of Quality for the design and development of West products. By uniting under one group within Quality, the team will harmonize on processes and resources to support West's R&D activities.



Progress has been made towards our goal of a 10% YOY reduction in manufacturing-related defects, with a 12% reduction from 2019 to 2020.

#### 2019 - 2023 GOALS

Year-Over-Year 10% Reduction in Manufacturing-Related Defects

**Customer Response Rate of 10 Days or Less** 

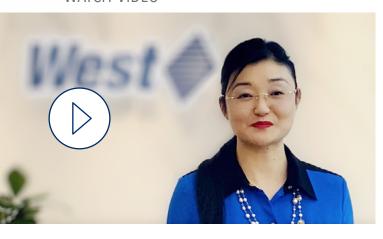
Reduction in Out-of-Specification (OOS) Customer Complaints of 10% Each Year

15% Reduction in Cost of Poor Quality



# COMPLIANCE & ETHICS

WATCH VIDEO



**Joyce Zhou** Sr. Director, HR, Asia Pacific – Qingpu, China

66Our mission to improve patient lives requires each of us to behave in an ethical manner at all times." As a company committed to building a healthier world, West is proud of its uncompromising adherence to its ethical principles and values, which serve to preserve our culture of integrity. The safety and well-being of our team members, shareholders, customers and patients around the world are our first priority, so we proactively work towards achieving the highest standards of quality, integrity and respect.

# Code of Business Conduct and Internal Education

At West, we believe that Compliance is everyone's responsibility. Team members in all functions and roles are responsible for adhering to our core values every day as they work together to improve patient lives. West's *Code of Business Conduct* ("Code"), available in multiple languages on WestPharma.com and West's company intranet, serves as a statement of our culture and sets forth the expectations for our global One West Team for their interactions with each other and our stakeholders.

The Code compels team members to report their concerns using any of several reporting avenues and prohibits retaliation for reports made in good faith. Those reporting choices include the team member's manager or any other manager at the Company. Team members can seek help from Human Resources, the Compliance and Ethics Office or the Law Department. West also provides the option to report anonymously through its *Integrity Helpline*, toll free or online, available 24/7 from anywhere in the world in multiple languages.

West conducted its annual Code training and recertification process in 2020, which requires team members to undergo training on several topics covered in the Code and review and accept the Company's expectations delineated in the Code related to ethical behavior. In 2020, our training completion and Code recertification rate was 99%, aligning with our typical high completion percentages.

In November 2020, West held its annual Compliance and Ethics Awareness Week, with the theme of "Compliance in Focus – Compliance Week 20/20." West recognized that the COVID-19 pandemic brought monumental shifts to our team members' lives, which understandably challenged the ability to maintain focus. Throughout Compliance Week, team members around the globe engaged in discussions on three areas particularly relevant in 2020 – Trade Compliance, Cybersecurity and Speaking Up. The pandemic led to stricter border controls in 2020 and new considerations for Trade Compliance. Meanwhile, Cybersecurity, which we address separately below, became even more crucial as organizations combatted COVID-19 related cyberattacks. Lastly, West wanted to reinforce the importance of Speaking Up, especially

Alignment with UNGC Sustainable Development Goals











# COMPLIANCE & ETHICS

(continued)

for many of our team members who were adjusting to working remotely. Our global sites hosted both virtual and in-person, socially distanced, executive and guest speaking events, games, trainings and small group discussions. Team member attendance at events presented during Compliance Week reached unprecedented numbers.

In the past year, West has expanded its Compliance and Ethics training opportunities to empower team members to engage on topics related to our culture of Compliance. We shared frequent communications on the importance of Speaking Up, reminders on the non-retaliation policy and available reporting avenues, and lessons learned on the benefits of Speaking Up. Specific resources and trainings were provided for people managers on promoting an open-door culture where communication, feedback, and discussion about any matter of importance is encouraged.

#### **Data Privacy**

West takes its critical responsibility to secure the personal data of its customers, team members and other stakeholders very seriously. We have programs and processes in place to maintain adherence to all applicable data privacy regulations, including the European Union's General Data Protection Regulation, the California Consumer Privacy Act of 2018 and

many others throughout the world. The number of jurisdictions where data privacy laws have been or will be implemented is constantly increasing. Protecting personal data will continue to be a key initiative in the future, and West is expanding resources dedicated to its data privacy program and educating team members on protecting against cyber threats.

#### **Compliance Oversight**

In 2020, West continued to reinforce its efforts to build and maintain a culture of integrity through its Compliance and Ethics Program governance.

Our Executive Compliance Oversight Committee (ECOC), chaired by West's Chief Compliance

Officer and comprised of all members of West's

Leadership Team, continued to provide strategic direction for our Compliance activities and ensure regular reporting to the Audit Committee of our Board of Directors. With guidance from the ECOC, our business unit Compliance committees support our global Compliance structure and its corresponding policies and procedures to support our team members in acting ethically in accordance with West's high standards.

# ENTERPRISE RISK MANAGEMENT

## **& Business Continuity**



In 2020, business continuity plans faced significant stress as COVID-19 posed unprecedented global challenges. The pandemic unfolded with little warning, and unlike many other crises that have a more defined endpoint, nobody could have anticipated the scope and duration of this pandemic. From the beginning, we defined two very clear priorities: first, to protect the

health and safety of our team members; and second, to continue to deliver the containment and delivery components our customers require to administer the life-saving drugs they produce. Throughout the pandemic we were able to achieve both priorities without disruption to normal operations.

Our established corporate business continuity plan and crisis management team was activated early in the pandemic to ensure we were able to meet our top priorities. This structure, led by our Sr. Director of ERM & Security, consists of global Crisis Management and Pandemic teams, as well as regional, and local operational teams reporting into the Crisis Management and Executive Teams. In addition, West retained a Corporate Medical Advisor to review and advise on all COVID-19 related procedures and protocols. These teams met on a regular cadence, all working interdependently to ensure our operating strategies were best aligned to enable our business to continue its critical operations.

West's continued investment in and emphasis on effective business continuity management provides a solid framework for further building organizational resilience with the capability of an effective response that safeguards the interests of our stakeholders, reputation, brand, and value-creating activities.

#### **Cybersecurity**

Maintaining strong cybersecurity at West is part of our commitment to protect the critical data of our customers, team members, and other stakeholders. 2020 was a unique year for cybersecurity, as the focus on fighting COVID-19 and the rapid move to remote work left organizations vulnerable to sophisticated cybercrime. West responded to these increased attacks by proactively educating team members on how to recognize threats through global Cybersecurity Awareness speaker events, a simulated phishing attack and other ongoing communications.

One key cybersecurity initiative in 2020 was the implementation of West's Zero Trust Network, where Zscaler Private Access and Internet Access was deployed across the enterprise to lessen the risk of bringing remote users on to West's network, prevent data breaches, and protect against hidden threats in encrypted traffic. In addition, West's cybersecurity team engaged in a network segmentation initiative to enforce security and access policies to prevent unauthorized devices on the West network.

Also in 2020, West began collaborating with the Department of Homeland Security (DHS) and Cybersecurity & Infrastructure Security Agency (CISA) to conduct Cybersecurity Assessments and gain insight into our operations and cybersecurity capabilities.

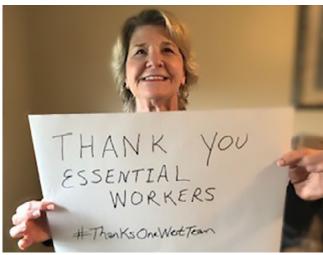


# THANK YOU ESSENTIAL WORKERS!

At West, we have always known that all our team members are essential. The commitment and dedication of our team members to continue working among all the challenges throughout the pandemic made their essential work even more evident.

In the midst of the pandemic in 2020, we ran a photo campaign that encouraged all team members to submit photos to thank their colleagues – or "essential workers" – whether they were working at one of our manufacturing sites, in a lab, at an office location, or working remotely.

















# WEST STRATEGY

### **Corporate Sustainability Initiative**

West is pleased to align our strategies and operations with universal principles on human rights, labor, environment and anti-corruption, and take actions that advance societal goals. Corporate sustainability starts with a value system and a principles-based approach to doing business.

This means operating in ways that meet fundamental responsibilities in the areas of human rights, labor, environment and anti-corruption. As a responsible Company, we enact the same values and principles wherever we have a presence.

By incorporating the Ten Principles of the United Nations Global Compact into strategies, policies and procedures, and establishing a culture of integrity, we are not only upholding our basic responsibilities to people and the planet, but also setting the stage for long-term success.

Our five-year corporate responsibility goals, running from 2019 – 2023, align with our Company's strategy as well as an alignment with the United Nations Sustainable Development Goals.

Corporate and organizational success requires stable economies and healthy, skilled and educated workers, which in turn increases brand trust and investor support.

#### **UNGC SUSTAINABLE DEVELOPMENT GOALS**































10 REDUCED INEQUALITIES



11 SUSTAINABLE CITIES AND COMMUNITIES











6 CLEAN WATER AND SANITATION



# WEST ACCOUNTABILITY

### West Pharmaceutical Services 2021 GRI Index<sup>1</sup>

Year	2019	2020
GRI 302-1 ENERGY WITHIN THE ORGANISATION <sup>2,3</sup>		
Thermal Fuel consumption by type (non-renewable)	'	
Scope 1 (Thermal) (kWh)	161,424,224	163,008,212
Electrical Energy Consumed (non-renewable)		
Scope 2 (Generator Distillate Fuel Oil 4) (kWh)	1,298,526	1,505,281
Scope 2 (Electrical) (kWh)	225,856,656	231,118,316
Energy Consumed (renewable)		
Solar Energy Scope 1 Consumed (kWh)	16,455	16,655
Scope 2 (Electrical) Purchased Renewable (kWh)	35,461,859	35,677,212
Total Energy Consumption (kWh)	424,057,720	431,325,676
GRI 302-3 ENERGY INTENSITY <sup>2,3</sup>		
Energy Intensity Factor	10.75	10.33
GRI 302-4 REDUCTIONS ACHIEVED AS A DIRECT RESULT OF CONSERV	ATION AND EFFICIENCY	INITIATIVES <sup>2,3</sup>
Scope 1 (Gas/Oil) (kWh)	3,700,439	3,760,219
Scope 2 (Electrical) (kWh)	1,413,043	3,090,122
Total Reductions in Consumption (kWh)	5,113,482	6,850,341
GRI 305-1 DIRECT (SCOPE 1) GHG EMISSIONS <sup>2,3</sup>		
Scope 1 (Gas) (Metric Tons CO <sub>2</sub> Equivalent)	29,256	29,543
GRI 305-2 INDIRECT DIRECT (SCOPE 2) GHG EMISSIONS <sup>2,3</sup>		
Scope 2 (Generator Distillate Fuel Oil 4) (Metric Tons CO <sub>2</sub> Equivalent)	350	405
Scope 2 (Electrical) (Metric Tons CO <sub>2</sub> Equivalent)	92,573	90,911
Total CO2 Emissions (Metric Tons CO2)	122,178	120,858

Year	2019	2020
GRI 305-4 GHG EMISSIONS INTENSITY <sup>2,3</sup>		
Emissions Intensity	3.10	2.89
GRI 305-5 REDUCTION OF GHG EMISSIONS <sup>2,3</sup>		
Procurement of Green Energy (Tons CO <sub>2</sub> )	13,642	12,322
(Scope 1) Energy Management / Facilities Projects	670	681
(Scope 2) Energy Management / Facilities Projects	457	1,182
Total	14,769	14,185
GRI 306-3 WASTE GENERATED <sup>3</sup>		
Total Weight of Waste Generated (lbs.)	24,950,000	29,926,303
GRI 306-4 WASTE DIVERTED FROM DISPOSAL <sup>2</sup>		
Total Weight of Waste Diverted From Disposal (lbs.)	12,974,000	23,174,012
GRI 303-3 WATER WITHDRAWAL <sup>2</sup>		
Total Water Withdrawal (Gal.)	240,622,000	270,560,909
GRI 403-9 WORK RELATED INJURIES <sup>2</sup>		
The number of fatalities as a result of work-related injury	0	0
The rate of recordable work-related injuries	0.7	0.94
The rate of recordable work-related injuries with lost time	0.33	0.21

<sup>&</sup>lt;sup>1</sup> All information reported is believed accurate at the time of inclusion and based upon assumptions, most of which are described in this report.

Prior year data may be updated with new information but the impacts are immaterial unless specifically noted in the report.

<sup>&</sup>lt;sup>2</sup> West's baselines are based on 2018 Scope 1&2 Energy consumption data and 2018 absolute CO2 emissions. This baseline was chosen as 2018 is the starting year of the 5 year goals with the most up-to-date and accurate information to help establish a firm baseline.

<sup>&</sup>lt;sup>3</sup> Based on availability of data and the way West manages its business, some regional sales offices, administration facilities, technology centers, distribution centers and any subsidiaries may be excluded. Any exclusions contained within this report are not believed to have a material impact.

<sup>&</sup>lt;sup>4</sup> Emission factors conversion source: The Climate Registry, US EPA, USA EPA egrid, International Energy Agency (IEA)



**West Pharmaceutical Services, Inc.** 

530 Herman O. West Drive Exton, PA 19341 USA

610.594.2900 www.westpharma.com



@westpharma
in West Pharmaceutical Services





Copyright © 2021 West Pharmaceutical Services, Inc.

All trademarks and registered trademarks used in this report are the property of West Pharmaceutical Services, Incor its subsidiaries, in the United States and other jurisdictions, unless noted otherwise.