



West Pharmaceutical Services, Inc.  
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[www.westpharma.com](http://www.westpharma.com)

January 17, 2022

Subject: COVID-19 West Update

Dear Valued Customer,

West is committed to providing timely and transparent communications to all our stakeholders as we navigate through the ongoing and evolving challenges of this global pandemic.

In addition to all the life-saving medicines we support, West continues to play a vital role in addressing COVID-19, and we are still experiencing an unprecedented demand for our high-quality components for use in the delivery of COVID-19 vaccines and therapeutics used in treating the virus, as well as in diagnostic kits used for detecting the virus.

Since the initial onset of the pandemic, businesses have become better equipped to deal with issues or disruption stemming from COVID-19 and the various waves of its variants. During this time, West has taken proactive measures to mitigate risk, provide our customers continuity of supply and minimize delays wherever possible by:

- Expanding our manufacturing capability, including automation, through an increased and accelerated total capital investment of over \$300 million.
- Hiring over 1000 new team members since the start of the pandemic as we expand capacity to meet unprecedented demand.
- Increasing production operations effectively to run 24 hours a day, 7 days a week to meet this growing demand.
- And, focusing on retaining our employees and ensuring a safe and healthy work environment.

### **Supply Chain:**

To date, our West global facilities, including those of our partner Daikyo, have operated largely to schedule. We are closely monitoring our supply chain and at this time do not foresee any significant 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 significant concern in receiving raw materials that would negatively impact our ability to manufacture products in any material respect. As an added risk mitigation, we increased our inventory of select raw materials sourced from areas of concern in an effort to minimize any supply disruption.

The ability to access dependable transportation continues to be a focus for our logistics teams. For air, we continue to experience delays of up to one week, due to limited capacity of flights and higher demand across the industry. Sea shipments in most markets are seeing significant challenges and delays due to container and equipment shortages and higher demand. For ground shipments in the EU, we are currently experiencing minimal delays except for shipments in the UK and Ireland due to Brexit. We are in regular communication with our transport partners and are working to resolve issues on a day-by-day basis.

**Labor:**

In the wake of this latest COVID-19 variant, the global pandemic continues to challenge businesses across every industry. While West has been able to manage the various challenges brought on by this pandemic, we, like many others, are currently experiencing the following:

- Sickness-related employee absenteeism, which we expect to further subside before the end of the first quarter
- A tight labor market in select US locations, as we continue to increase our workforce to further support our expanded manufacturing capacity.

While we are hiring, onboarding, and training our new team members as quickly as possible, there are instances where we see delays in our delivery schedule. Customers impacted by these delays will be notified directly.

**Prioritization and Order Cancellations:**

No industry is immune from the various challenges brought on by this pandemic, and it requires companies to work more closely than ever before to find ways to resolve and overcome these challenges together.

During this time, we continue to utilize a prioritization model to address the growing requirements of our customers, and we are taking a thoughtful approach to balance and manage these priorities actively. The success of this approach requires partnership with our customers and suppliers, including a greater level of transparency regarding production demands and filling schedules to ensure we are addressing the right need at the right time.

In this current environment, it is critical that our customers understand we do not have the capability to support stock building and, instead, need to focus on the actual market needs in order to minimize disruption while continuing to meet any contractual requirements. It is equally important to recognize the disruption that cancellations cause to our ability to serve the global healthcare needs, and therefore any order accepted will not be cancelable. If a customer requires any modification to their order, please notify your sales representative, and if accepted, those modifications may be subject to a fee or surcharge.

We appreciate your support as we continue to supply the needs of our customers and the life-saving medicines they provide patients around the world. Should you have any specific customer inquiries or concerns, please contact us at [Global.WestCoronavirusUpdate@westpharma.com](mailto:Global.WestCoronavirusUpdate@westpharma.com). Our sales and service professionals are standing by to answer your questions and provide you any related updates.

Sincerely,

A handwritten signature in black ink that reads "Cindy Reiss-Clark". The signature is written in a cursive, flowing style.

Cindy Reiss-Clark  
SVP, Market Units & Commercial Solutions  
West Pharmaceutical Services, Inc

A handwritten signature in black ink that reads "David Montecalvo". The signature is written in a cursive, flowing style.

David Montecalvo  
SVP, Chief Operations & Supply Chain Officer  
West Pharmaceutical Services, Inc