



## **Materiality Assessment**

September 2016

**GRI G4 Indicators: G4-18, G4-19, G4-20, G4-21  
G4-22, G4-23, G4-24, G4-25, G4-26, G4-27**

## Executive summary

West Pharmaceutical Services, Inc. and our employees view Corporate Responsibility (CR) as a means to make a positive impact in the communities and with customers we serve. We make this impact by conducting our business in a socially, ethically and environmentally responsible manner that takes into account the activities necessary to sustain our business over the long term.

### Defining Materiality

Our focus is on those activities that are most important to our business and the stakeholders we encounter in the manner in which we conduct our business. We judge materiality using a disciplined assessment process that identifies critical environmental, social, and governance (ESG) issues that reflect a significant impact on our business performance or substantively influences the assessments and decisions of our stakeholders. Those activities that are determined to have the most significant impact are called Aspects.

### Why a materiality assessment?

In order to meet the expectations and requirements of our stakeholders and keep pace with our business priorities, West’s materiality assessment process follows the industry standard GRI guidelines. Our materiality assessment provides us with a clear understanding of the ESG issues that matter the most to our business and our stakeholders.

### What we found from our materiality assessment

Through our materiality assessment we defined 21 Aspects as the most material to West and our stakeholders. We have grouped each Aspect into one of 9 key clusters which in turn have been segmented into their respective ESG pillars:



### Moving forward

Now that we know the Aspects that are most critical to our sustainable business success, we can best develop business strategies that will lead to long-term success. We intend to create metrics and track accomplishment in each of the 9 key clusters, measure our performance and, through regular reporting, provide transparency for our stakeholders on issues they consider to be material.

## Methodology

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The methodology behind West’s materiality assessment is aligned with our business strategy and guided by GRI’s framework which is the industry standard. The process West uses to conduct its materiality assessment is outlined below:

1. **Identification** of the Aspects as well as their internal or external impacts on our business and stakeholders.
2. **Prioritization** of the Aspects through discussion, qualitative analysis and quantitative assessment to understand how significant each Aspect is.
3. **Validation** of each of the Aspects to ensure they reflect the organization’s significant environmental, social, or governance impacts; or substantively influence the assessments and decisions of stakeholders.

### Step 1: Identification

The first step in our materiality assessment was to create a large pool of topics that could impact our business or stakeholders. The identification of the most relevant topics required consideration of the impact each such topic could have on West’s activities, products, services, and relationships, regardless of whether these impacts occur inside or outside our organization.

### Step 2: Prioritization

After we identified all relevant topics and gained an understanding of the impacts of each on our business and/or stakeholders we then prioritized each topic. This was done by considering the environmental, social, and governance impact of each topic on the business or their substantive impact on our stakeholders. A multifunctional working team engaged with our stakeholders on the importance of each of the topics and their respective relevance to West and our stakeholders. Through discussion, quantitative analysis and qualitative assessment, we arrived at an understanding as to how significant each topic is. The most material of these topics, based on our prioritization, are considered to be Aspects.

### Step 3: Validation

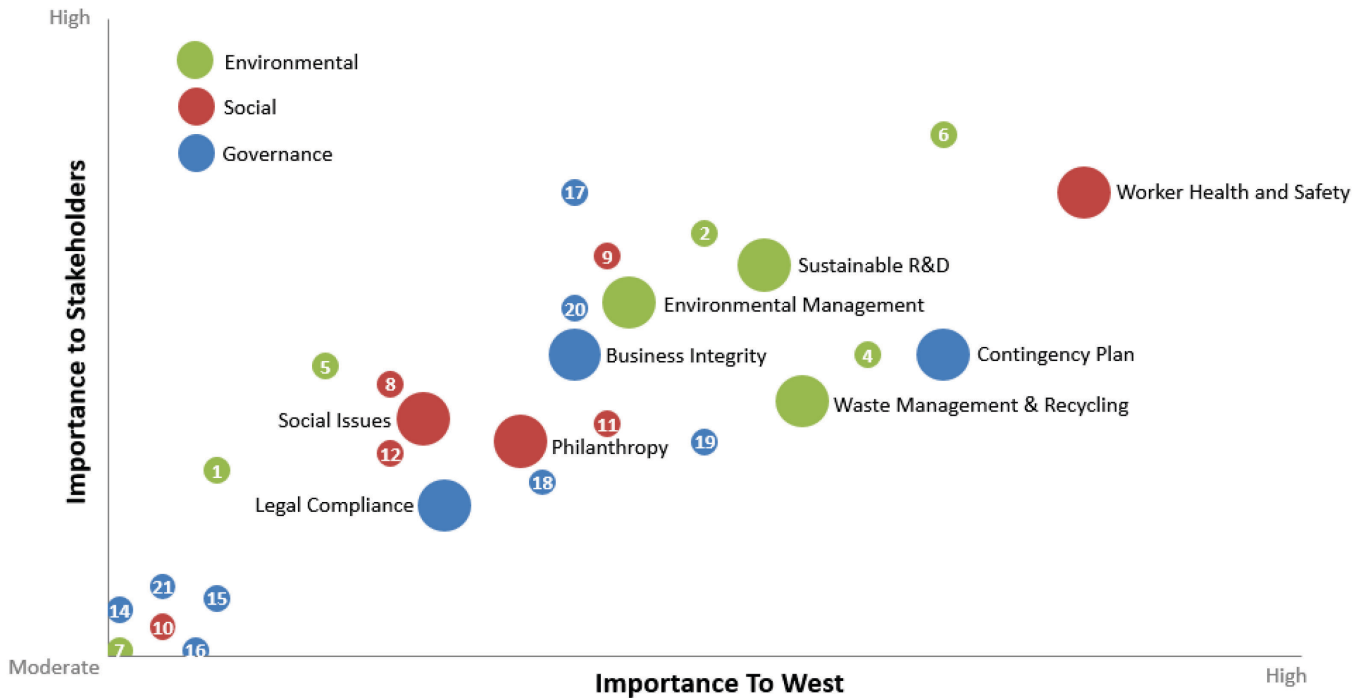
After having identified 21 Aspects and grouped the same into 9 different key clusters, the next step in our process is to validate our findings. This step involved assessing the Aspects against:

1. Scope – the range of Aspects covered in the report
2. Aspect Boundary – where each material Aspect impact occurs
3. Timeframe – completeness of information with respect to the reporting timeframe

These validation steps ensure that the Aspects are capable of integration into West’s business strategy and, ready for setting of targets, the identification of proper metrics, development of a means to measure performance, and organizing the manner in which we will report progress on an ongoing basis.

## Results

The 2016 materiality assessment results for West are summarized and prioritized in the materiality matrix shown below. The matrix features three different colors, each representing a different pillar of the ESG model (legend in the upper left corner of the matrix). The larger bubbles represent the 9 key clusters that embody the 21 identified Aspects. It is important to note that the matrix below is a representation of the upper right quadrant of a matrix containing all relevant topics considered in our materiality assessment process.



### Waste Management & Recycling

#### Environmental Management

1. GHG Emissions Management
2. Energy Management
3. Water Management

#### Sustainable R&D

4. Innovation
5. Design for the Environment
6. Product Safety
7. Green Chemistry

### Worker Health & Safety

#### Social Issues

8. Harassment of any Kind
9. Diversity & Equal Opportunity
10. Supplier Diversity

#### Philanthropy

11. Corporate Giving
12. Employee Giving
13. Volunteerism

### Contingency Plan

#### Legal Compliance

14. REACH
15. Conflict Minerals
16. CA Transparency in SC / UK MSA
17. Anti-Corruption
18. Protection of Personal Information
19. Intellectual Property

#### Business Integrity

20. Code of business Conduct
21. Business Partner Code of Conduct

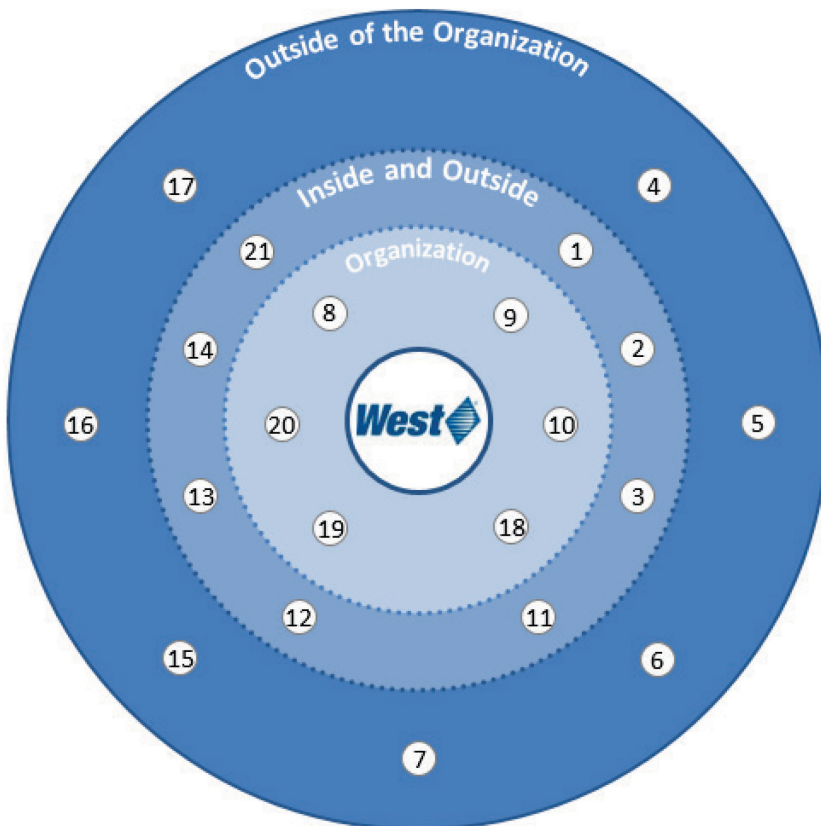
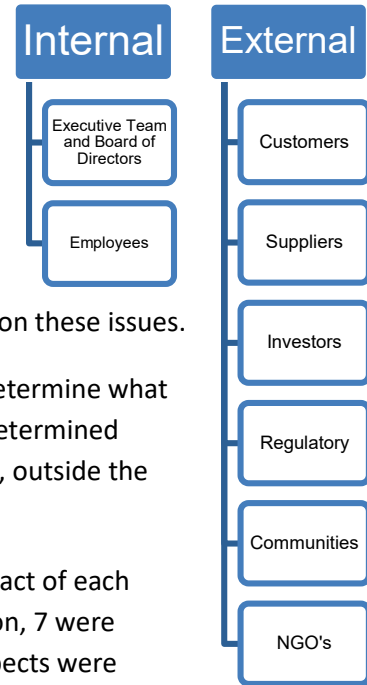
## Stakeholder Engagement and Aspect Boundaries

West collected views from a variety of stakeholders, inside and outside the organization, to determine what they thought had the greatest impact to the business and on our stakeholders. An overview of these stakeholders can be found on the right. This approach helped West determine the vast range of relevant topics that could be determined later as material and hence Aspects upon which we will focus our efforts.

This method has enabled West to better understand the areas that are important to our stakeholders. It also has enabled us to develop competencies that will help us better manage and engage with stakeholders on these issues.

Once we identified the Aspects, an internal assessment was undertaken to determine what the Aspect Boundaries are for each Aspect. Through this exercise West has determined whether the impact of each of the Aspects is located within the organization, outside the organization, or is with both.

The figure at the bottom of this page maps the location of the significant impact of each Aspect. A total of 6 Aspects were found to have impact within the organization, 7 were found to have their impact outside the organization, and the remaining 8 Aspects were found to have an impact outside and within the organization.



**Internal:**

- 1. Harassment of any Kind
- 9. Diversity & Equal Opportunity
- 10. Supplier Diversity
- 18. Protection of Personal Information
- 19. Intellectual Property
- 20. Code of business Conduct

**External:**

- 4. Innovation
- 5. Design for the Environment
- 6. Product Safety
- 7. Green Chemistry
- 15. Conflict Minerals
- 16. CA Transparency in SC / UK MSA
- 17. Anti-Corruption

**Internal and External:**

- 1. GHG Emissions Management
- 2. Energy Management
- 3. Water Management
- 11. Corporate Giving
- 12. Employee Giving
- 13. Volunteerism
- 14. REACH
- 21. Business Partner Code of Conduct