

Covid-19 | 5th External Stakeholder Communiqué | 06 May 2020

Dear Customer, Dear Stakeholder,

The purpose of our External Stakeholder Communiqués is to keep you informed of the status of our operations and the measures we are taking to address the current pandemic triggered by SARS-Cov-2. This should be read as a complement to the information provided in earlier communiqués.

The frequency of these communiqués is now monthly. We are no longer operating in crisis mode although current practices would have seemed odd before March 2020: We monitor temperature and no one showing a temperature higher than 37.5°C can enter our premises. The use of face masks is mandatory in the premises (whenever permitted by the authorities). Masks are distributed to all staff and service providers. We all follow good hygiene and safety measures (e.g. wash hands when entering the facilities, before meals, frequently during the day and when we pass by dispensers, keep safe distancing, etc.). Whoever can WFH (work from home) is expected to WFH.

Health & Safety

We continue to do whatever is possible to make the place of work of our Team Members as safe as possible. As the Governments have told us to plan for the economy to re-start we need to be very cautious in terms of implementing a ramp-down of our measures while still ensuring precautions are effective and attain a minimum level. We are asking that whoever can WFH to discuss with his or her line-manager how can he/she best help to keep people density low in our sites – we expect that many different solutions will come up: to accommodate personal needs (whether family or home work limitations), explore a wider span of office hours, consider rotations - we expect that individual creativity will help us achieve better work conditions and yet do so at a greater level of safety. With the exception of Macau where we are fully operational, our “return from home” plans are being prepared on a site-by-site basis. The objective is to phase return as from about 1st of June (this date may differ from site to site) assuring that safety conditions are respected (ex: at a first stage, 2/3 of those that can WFH will continue to work from home; at a second stage, date to be defined, this limitation can be reduced to 50%; currently we have difficulty anticipating relaxing measures beyond this level; we have reduced by 50% the number of chairs in the offices and by more in the cafeteria, canteens and lunch rooms).

A clear and strict protocol has been defined and is followed to provide medical support and testing to all suspected cases. Close contacts are carefully traced, and isolation measures implemented as required.

Operations and Supply Chain

Every Hovione plant and lab continues to operate normally and overall we are meeting our production plans. There are issues around logistics and in the supply chain, but these are not fundamental disruptions, these are delays. We no longer aim to operate “lean” or just-in-time, today we need more resilience and our supply chains need to be robust and include safety buffers. We should nevertheless expect surprises and difficulties but trust we will overcome them with some inefficiency. WFH and social distancing makes communication harder, and while everyone is in high spirits these are taxing times – we need to pace ourselves as this is a marathon of many months. Some of our clients have projects that fight Covid-19 and time lines have been accelerated; in some cases we are being requested to produce in a month what we would usually produce in a year. Hovione is being put to the test like never before.

Customers and Communication

We need to re-engage with customers and increase the contact in a manner that compensates for the inability to travel that we expect to continue for some time. We are working on how we can be able to conduct remote audits and remote technical visits. This involves the use of NavStream™ and video calls.

Social Responsibility

Our webpage <https://www.hovione.com/covid-19> explains all details of our response to the crisis, we are sharing all our procedures and communication materials. All our sites have produced disinfectant gel to donate for the local community. In Portugal we have already produced 200 tons of such disinfectant.

We do not know what tomorrow will bring, but we will adapt quickly to the constraints and challenges this crisis imposes on us and on our business. If you wish to receive our “Covid-19 – External Stakeholder Communiqués” please reply advising us. If you have any question not addressed here please direct them to your Hovione contact.

Lisbon, 6th May, 2020

Hovione Communications (jpina@hovione.com)

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