

In it for life

COVID-19: Hovione Crisis Response

PrepCom Team

Updated: April 2020





Introduction

Having a manufacturing site in Macau allowed Hovione to be exposed earlier to COVID-19 and to the organizational key challenges

- 4 manufacturing facilities (Portugal, Ireland, Macau, US)
- Over 1700 workforce
- Manufacturing of life saving Active Pharmaceutical Ingredients and Drug Product Intermediates

This document is meant to share Hovione overall action plan to protect our Team Members, customers and business, and will be focused on four main topics.



01. Preparedness Committee

(a.k.a PrepCom)



Based on Macau's experience Hovione was able to proactively set crossfunctional COVID-19 response teams working in different workstreams. Promoting responsibility, agility and full transparency.

- PrepCom had direct responsibility in Portugal facilities: adoption of specific measures were delegated to the individual sites in coordination with PrepCom
- Work fronts were split in different Workstreams (WS)



Teams organized by key roles and WS



WS#1

Local HSE, Corporate HSE, Medical, HR



WS#2

Local Purchasing, Corporate Purchasing



WS#3

Sales



WS#4

HR, Marketing & Communications



Project Coordinator

Each workstream had goals clearly defined



WS #1 - Health & Safety

- 1. Follow guidelines from global and health authorities
- 2. Define contingency plans and guarantee / support implementation
- 3. Go above and beyond making sure we keep ahead of the curve
- 4. Guarantee safety measures on the sites and in our operations
- 5. Support roll-out / adequacy of transversal initiatives to all sites
- 6. Observe compliance of rules in force and act upon as necessary
- **7.** Support any affected Team Members for health guidance or any request for information
- 8. Implement welfare services to support TM's managing their personal routines

WS #3 - Sales & Customer

- 1. Understand how customers are being affected
- 2. Understand how can that affect Hovione (e.g. impact on demand)
- 3. Flag any potential hot spots related to customers which requires fast action
- 4. Support Sales team on communication matters with customers

WS #2 - Supply Chain

- 1. Access supply plan related with in-source of materials
- 2. Bridge with Logistics for topics related with Imports and Exports
- **3.** Define action plans to mitigate shortage, guarantee implementation and close monitoring
- 4. Flag potential risks and define immediate corrective actions
- 5. Follow respective status

WS #4 - Communications

Internal

- 1. Manage the internal organizational communication plan
- **2.** Prepare communications to all sites promoting alignment and identification of common subjects that benefit from transversal communication

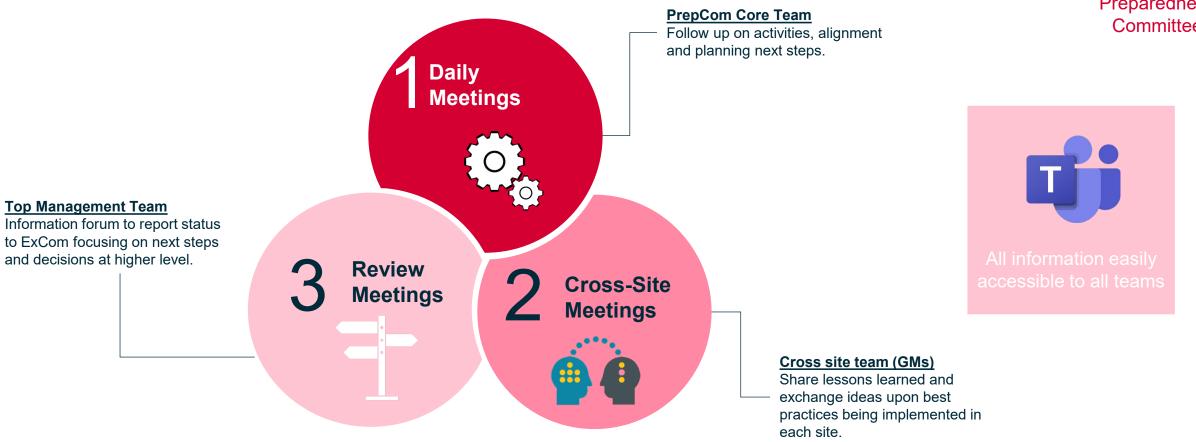
External

- Guarantee that transversal communication to customers and stakeholders is done at one-voice
- **2.** Prepare communications with relevant information to manage customers and stakeholders' expectations on a regular basis covering all sites



Simple meeting cadence was set in place to allow discussion, alignment and fast decision







02. Planning & Executing



Contingency plans were created and put in place under a risk management approach where priorities were clearly established and tackled upfront.

Hovione developed a detailed Contingency Plan to guide us during this pandemic



Base Scenario	Scenario 1	Scenario 2	Scenario 3	Scenario 4
No reported cases or sporadic cases with transmission outside the relevant country	Multiple introductions and limited local transmission in the relevant country, outside the site's regional location (state or district)	Increasing number of introductions and more widespread reports of localized human-to-human transmission in the country	Localized outbreaks with sustained human-to-human transmission in the site's regional location (state or district)	Confirmed cases among Hovione population



	Base Scenario	Scenario 1	Scenario 2	Scenario 3	Scenario 4
Command and control	Crisis committee activated (e.g. HQ.MAN.CRS001)				
Risk Communication	Weekly internal updates, communiqués Posters with instructions Keep clients informed of potential impact	Maintain reliable internal communication As in Base Scenario	As in Scenario 1 Issue sitewide more frequent communication Follow up contingency plans for critical suppliers	As in Scenario 2	As in Scenario 3
Business Continuity	Identification of materials, PPE, and production plans at risk	As in Base Scenario	As in Scenario 1	As in Scenario 2 Consider to only produce single-source or life- saving products	Scenario 3 Consider to cease production/activity at affected areas
Community measures	Infection prevention and control Social Distancing Avoid travelling	As in Base Scenario Reinforce Social Distancing Identification of isolation rooms Controlled access to facilities	As in Scenario 1 Enforced or voluntary quarantine for suspected cases	As in Scenario 2	As in Scenario 3 All TMs wear PPE





Aligned with the Contingency Plan PrepCom took several measures to protect Hovione Team Members.

People safety









Remote work

- Only critical functions remained on-site
- Example: +580 people working from home just in Portugal

New rules to use common areas (canteen, bar)

- Opening hours changed, people split in groups to lunch at different times, capacity reduced by half to guarantee safe distancing, changes in layout, large number of disinfectant dispensers available
- Distribution of cutlery in individual packs, elimination of salad area and distribution of fruit

Daily use of masks

 Masks delivered at the entrance to all people working within the site (depending on the health authority's recommendation in the relevant countries)

Risk groups

 People within the risk groups identified and sent home

Floor and walls safety signs

- Signals for awareness on best hygiene practices distributed along the facilities
- Indication of safe distance in common areas
- Capacity within elevators reduced

Site Disinfection

- Frequency of disinfection of the common areas was increased
- Also implemented a periodic disinfection of the site's exteriors

Limited contact between teams

- Work handover being done remotely
- Workflows within the areas redefined
- Some teams started working in shifts to reduce number of people in small spaces
- Mismatch of shift hours between teams
- Teams divided by colors (to raise awareness to avoid cross contacts)
- Daily log of close and casual contacts
- Lifts occupancy reduced
- Rules in place to limit access to showers



Aligned with the Contingency Plan PrepCom took several measures to protect Hovione Team Members.

People safety

Travelling

- Travel, audits, visits, etc.to Hovione and from Hovione no longer allowed until further notice
- Hovione strongly recommended against personal travel
- Personal travel may lead to the Team
 Member being asked to self-quarantine for
 14 days upon his/her return from travel

Circulation between sites

- Circulation between sites in the same country not allowed
- Exceptions are well defined as well as directional flows

Meeting Rules

- Meeting rooms layout changed to ensure 2 m distance
- Capacity of meeting rooms reduced to half the maximum capacity
- Opening doors or windows recommended to improve ventilation
- Recommendation to avoid face-to-face meetings in favor of remote meetings
- The same principle applied to training sessions – being all face to face training sessions cancelled.



Health Monitoring

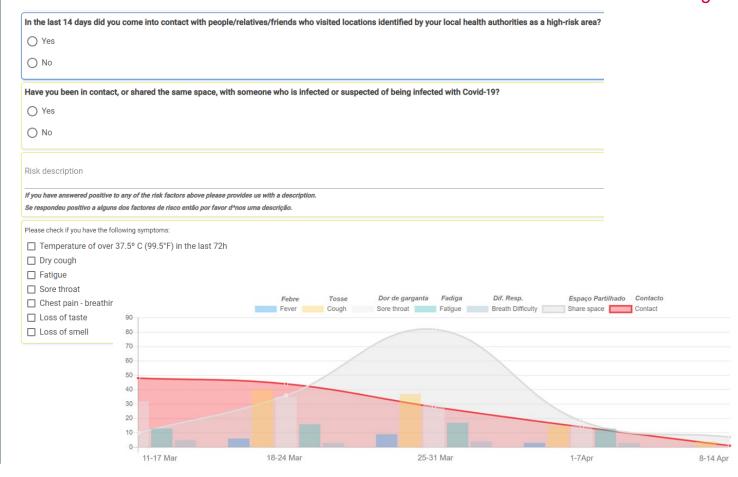
02 Planning & Executing

Health Check Questionnaire

- Online bi-weekly questionnaire to check if people had travelled recently, contacted with a suspect/confirmed case, presenting symptoms
- Daily review of data by HSE, HR and company doctors
- Upon evaluation decision to proactively send people to quarantine and/or to be tested
- When the Team Member must remain at home Hovione bear the base salary for a period of 14 days and/or until the date when the situation is thus recognized by the country health authorities and the medical leave is officially determined.

On-Site Entry Check-up

- When legally permissible daily temperature measurements done to everyone entering on the site (Team Members, visitors and service providers)
- Entry not allowed if temperature is higher than 37.5°C
- External contractors also required to fill-in questionnaires before entering the facilities





In order to facilitate life of those on site Hovione PrepCom implemented some welfare services to its Team Members during the pandemic



Planning 8
Executing







Meals & Goods

Access to stores is a risk for infection and online supermarkets are overloaded and taking 2-3 weeks to deliver



- Daily take-away service for individual/family meals at a symbolic price
- Bi-weekly online shopping and delivery on site for first necessity goods





In order to facilitate life of those on site Hovione PrepCom implemented some welfare services to its Team Members during the pandemic





Transport

Public transport and car sharing identified as potential risk for infection



Finance

Individual transport

 People sharing cars were identified and motivated to use individual transport

Public transport

- People with no alternative option than to use public transports were given a safety kit (mask, gloves, disinfectant)
- Capacity of Hovione bus reduced to 1/3 being masks also provided at entry

Several options were given on a site by site basis:

- Anticipation of the holidays allowance
- Transportation allowance for all functions considered critical to be on-site





Remote work

a challenge for those at home





Wellbeing and Safe work environment



- Provision of psychological and financial advice (provided by a 3rd party)
- Limit need to come to the facilities (e.g. electronic signatures in place)
- Disinfectant gel available to take home
- People were able to take home their office equipment (monitors, keyboards, chairs)
- Routines in place to keep continuous contact between Team Member and N+1
- Weekly working from home tips (best practices, connectivity, communication, time management)
- Online survey to get feedback understanding main challenges (where to act) and sharing experiences with Hovione community
- Access to online courses on managing and planning work from home, improving productivity, time management and remote team management



For those who work from home, it is natural that you are still adapting to a new reality. Therefore, we would like to know how you are dealing with this way of working:

- · Are you having difficulties?
- Connection problems?
- Do you have suggestions or recommendations?

Whenever you want to give feedback or share your experience, use the forum we've prepared for you (link below). We will do our best to answer to the most common difficulties experienced by Team Members who are working from home.

To support our Team Members upon a suspect situation a Protocol was developed to allow fast action



Availability of doctor

- Company doctor available outside the working days at Hovione
- Isolations rooms available on the site in case of any suspected situation
- Medical close follow up on suspect cases
- Medical prescription of the tests

Protocol with testing labs

- A protocol was established with some labs to allow easy access of our Team Members (in countries where private labs provided this service)
- Insurance covering 100% expenses

Serological tests

- Acquisition of serological tests to allow fast triage
- Next step is the assessment on immunity











Mapping Contacts

- To facilitate identification of close and casual contacts when needed a daily log was set in place for all people on-site
- Upon a +CV the close contacts are sent to quarantine and for test (when testing is available in the market) plus casual contacts (again, as long as testing is available)
- Isolation rooms were also created within the sites

Isolation and Quarantine

- Safety kits were sent to people in quarantine or isolation (masks, gloves, disinfectant, instructions)
- Communication kept with all people on a regular basis







To keep operations running a stable Sourcing is fundamental, being PrepCom involved from beginning on measures such as...







- Identification of the materials needed for the next months of production
- Definition of priorities aligned with a risk management approach
- Creation of mitigation plans (build stocks, alternative suppliers, request for suppliers' contingency plans, etc.)
- And keep continuous and close monitoring



During this period we need to work together with our suppliers

- Letters justifying the use of that material were sent to suppliers to support authorization for government to allow them to continue operations
- Same strategy done with truck drivers to facilitate transit across boarders



Our customer have also been part of the PrepCom responsibilities, focusing in 3 main points



01

Keep customer involved

- Keep close contact with our customers
- Share project specific information

02

Keep customer informed of Hovione overall status

- Share information on what is the company doing
- Main impacts being seen
- How these can affect their projects

03

Identify possible risks

- Understand how are customers being affected
- Identify potential projects at risks



IMPACT ON HOVIONE BUSINESS

Does Hovione have a team focused on preparedness and response planning?

Having a manufacturing site in Macau allowed Hovione to be exposed earlier to the challenges of dealing with COVID-19. Based on Macau's experience Hovione was able to proactively set crossfunctional COVID-19 response teams working in different workstreams (e.g. health & safety of our employees, supply chain, sales & customers, business continuity, internal and external communication, social responsibility), with full transparency and being able to act fast based on the best of our knowledge.

Has Hovione identified the critical activities which must continue during a pandemic, as well as the Team Members and other supporting activities needed to proceed?

03. Communication

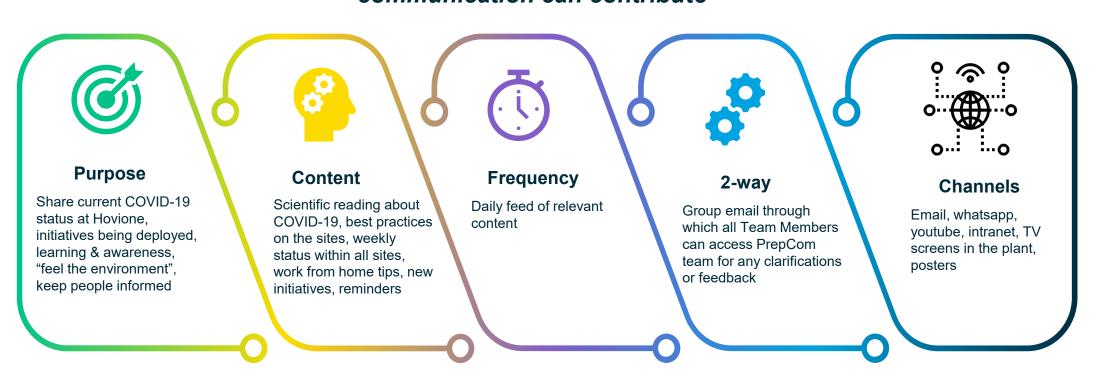


Communication is essential not only for awareness and information but to keep a resilient spirit. Transparency is the key!

After ensuring the safety of Hovione Team Members PrepCom's concern is to keep people calm and focused on the main objective: saving lives



...and that's where an active and transparent communication can contribute

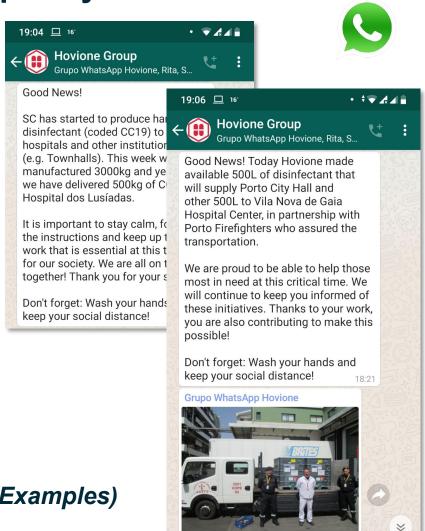


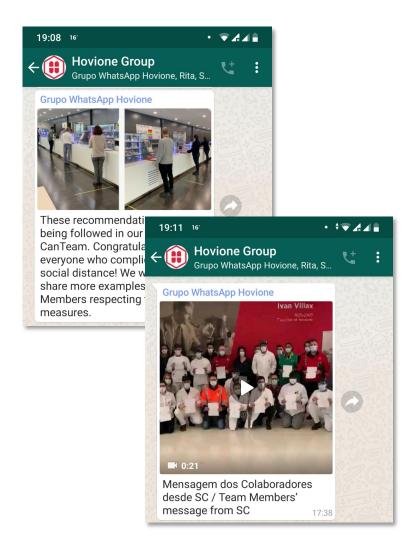


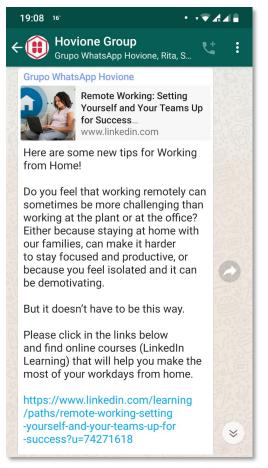
WhatsApp has been used as a powerful tool to share information

quickly







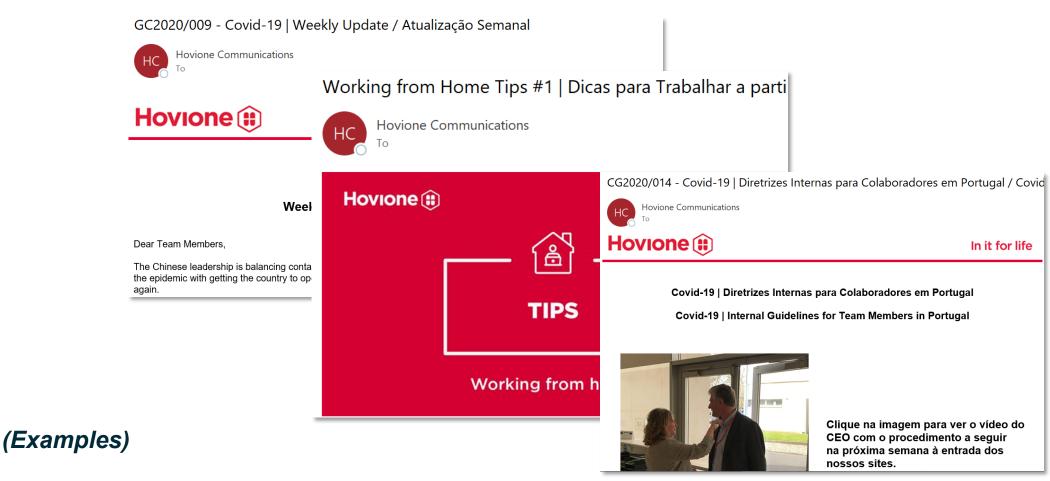


(Examples)



Internal Communications are sent in a weekly basis with relevant content to keep a safe work environment

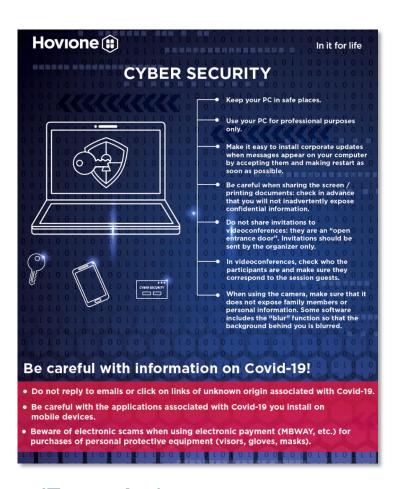


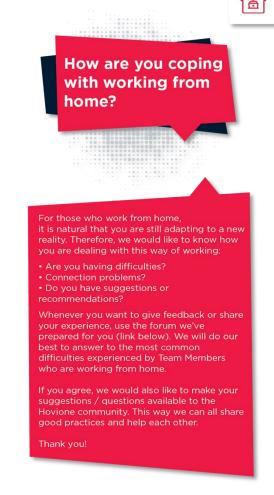


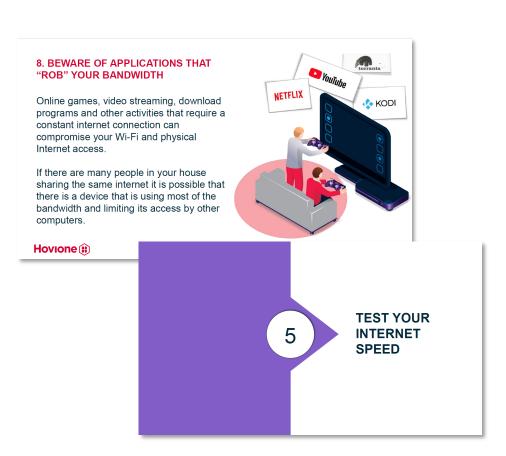
Hovione (ii)

Useful content to help our Team Members adjusting to remote work is also been part of our concerns





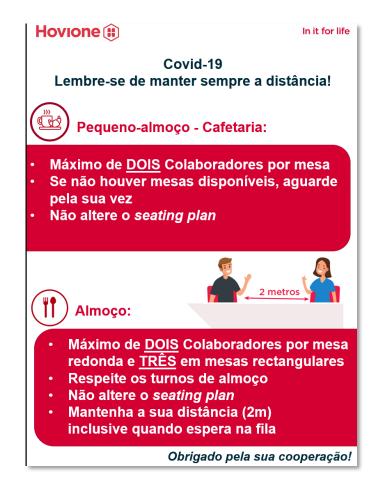






And because continuous training raise the awareness of our Team Members on site...







(Examples)



...we make sure helpful content is shared in our TVs and posters spread in the plant.









(Examples)



External Communication is also part of the PrepCom's effort



28th March Hovione SC had the pleasure of welcoming

President of the Portuguese RepublicProfessor Marcelo Rebelo de Sousa

Minister of State for the Economy and the Digital Transition

Mr. Pedro Siza Vieira

Mayor of Loures
Mr. Bernardino Soares

Important to keep customers, stakeholders and suppliers informed as well as to boost our Team Members morale











Watch Guy Villax's vídeo to Health Cluster Portugal

And finally, a 2-way communication with Team Members is essential to keep PrepCom focused on what is important





"Eu e a minha família queremos agradecer a título pessoal à família Villax, à Hovione e em particular aos colegas que todos os dias vão para os sites, a forma extraordinária como têm contribuído de forma genuína para o nosso lema "in it for life."

Inês CarreiraBuyer



"(...) quero agradecer todas as medidas bem como o timing e iniciativa que a Hovione como organização tem demonstrado desde o inicio desta situação muito complicada. Muito obrigado por tudo, e que tudo possa correr bem para todos bem como para as nossas famílias."

Salomao Lopes Lab. Technician



"Venho apenas agradecer, pelo vosso trabalho em colocar a ideia a funcionar, e o grande upgrade que lhe deram. Sem duvida que é um orgulho trabalhar nesta empresa, sentir o apoio e valorização que vem de cima, ver o empenho e a importância que deram ao tema, de forma que nada nos falte."

Marcos Ibraimo COL Operations



"Gostaria de agradecer o facto da Hovione estar a promover algumas iniciativas para melhorar e tranquilizar os seus colaboradores para os tempos difíceis que se adivinham. Para quem não conhece os valores e o espirito que regem está firma, pode ficar admirado com o comportamento e compromisso com que todos NÓS, desde dos veteranos aos mais novos, estão a lidar com este período cheio de receio e incertezas mantendo o decorrer normal do funcionamento da Hovione. Para mim não é nenhuma surpresa, com as nossas virtudes e os nosso defeitos eu conheço muito bem a nossa alma. (...) Vocês nesse lado e nós neste lado, caminhamos lado a lado para um futuro que desejamos."

Carlos Marques
Lab. Technician



04. The New Normal



As we progress in COVID-19 pandemic the course of action being followed until now would need re-adjustments.

Thus, social responsibility activities such as production of disinfectant gel have now integrated the scope of PrepCom 2.0 as well as the continued investment on the Business Continuity Plan.

It's time to move forward...

PrepCom evolved to PrepCom 2.0



- Leaving outside its scope Supply Chain and Sales & Customers (now part of a "new normal routine")
- And integrating areas such as Social Responsibility and continued investment on Business Continuity

WS #1 - Health & Safety

WS #2 - Supply Chain

WS #3 - Sales & Customers

WS #4 - Communications

WS #1 - Health & Safety

WS #2 - Social Responsibility

WS #3 - Communications

WS #4 - Business Continuity Strategy



Regarding Business Continuity, we continue to follow the work being done through several exercises and dimensions











Risk assessment

What are the major risks creating a direct or indirect impact to our operations, and what can we do to avoid / mitigate it

Prioritization

If all avoidance / mitigation measure fail, what should we stop and what are the prioritization criteria – ex. Commercial value of the products, annual forecast, customer impact, public health impact, etc.

Contingency plan

If we stop, how should we do it in a safe way, what mitigation actions need to be taken

Restart

When we can restart, what are the priorities, what do we need to do, how much time would it take

This way we can keep our operations running and continue accomplishing our mission: saving lives



In it for life

In it for life, this is our motto for everything we do, so in times of need, we decided to help those who needed it most



Therefore, Hovione is producing 40 tons per week of disinfectant gel, having already distributed pro-bono to more than 350 entities





Nas redes

José de Mello Saúde agradece publicamente a doação da Hovione ao Hospital de Vila Franca de Xira e os Hospitais CUF.

Enfermeiras do Hospital Lusíadas agradecem à Hovione

A doação de gel desinfetante e a iniciativa para prevenir a dissiminação do COVID-19 foram muito apreciadas.





"Não posso deixar de referir a rapidez com que a Hovione deu resposta ao pedido de líquido desinfectante, que lhes foi efectuado no pretérito sábado e que já se encontra em uso na Esquadra de Loures, para protecção dos seus elementos

e subsequentemente da população de Loures. Muito obrigado"





Safeguarding our health workers, social and educational institutions is also part of our team's effort



Over 2.000 un of cirurgical masks given to social and educational institutions

Over 1.000 un of shoes and head protections given to healthcare workers

Over 50 un of TYVEKs given to daycare workers

Over 180.000 L of pro-bono disinfectant gel produced for delivery to health and social institutions, municipalities, firefighters, small entities



As children must attend tele/online school Hovione also lend the available laptops that were in our stocks and further developed an online community to help people lend their own spare laptops



Finally, a message from our Team to ALL of you

Watch OUR video
We are the second line of defense





























Thank you for your attention





