WEST PHARMACEUTICAL SERVICES INC
Form DEF 14A
March 23, 2016
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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A

Proxy Statement Pursuant to Section 14(a) of
the Securities Exchange Act of 1934 (Amendment No.)

Filed by the Registrant x

Filed by a Party other than the Registrant o

Check the appropriate box:

o	Preliminary Proxy Statement
o	**Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
x	Definitive Proxy Statement
o	Definitive Additional Materials
o	Soliciting Material Pursuant to §240.14a-12

West Pharmaceutical Services, Inc.
(Name of Registrant as Specified In Its Charter)

(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

x	No fee required.	
o	Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.	
	(1)	Title of each class of securities to which transaction applies:
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	(4)	Proposed maximum aggregate value of transaction:
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o	Fee paid previously with preliminary materials.	
o	Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.	
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West Pharmaceutical Services, Inc.

Notice of 2016 Annual Meeting

530 Herman O. West Drive
Exton, Pennsylvania 19341

March 23, 2016

The 2016 Annual Meeting of Shareholders of West Pharmaceutical Services, Inc. will be held at our corporate headquarters on:

Tuesday, May 3, 2016

9:30 AM, local time

530 Herman O. West Drive

Exton, Pennsylvania 19341

The items of business are:

1. Election of nominees named in the Proxy Statement as directors, each for a term of one year.

2. Consideration of an advisory vote to approve named executive officer compensation.

3. Approval of the adoption of the West Pharmaceutical Services, Inc. 2016 Omnibus Incentive Compensation Plan.

4. Ratification of the appointment of PricewaterhouseCoopers LLP as our independent registered public accounting firm for the 2016 Year.

5. Transaction of other business as may properly come before the meeting and any adjournments or postponements thereof.

Shareholders of record of West common stock at the close of business on March 8, 2016, are entitled to notice of, and to vote at, the meeting and any postponements or adjournments thereof.

George L. Miller
Sr. Vice President, General Counsel and Corporate Secretary

Important Notice Regarding the Internet Availability of Proxy Materials for the Shareholder Meeting on May 3, 2016

This Notice of Annual Meeting and Proxy Statement (Notice) and the 2015 Annual Report (2015 Annual Report) are available on our website at:

www.westpharma.com/na/en/Investors/Pages/ProxyMaterials.aspx

Your Vote is Important

Please vote as promptly as possible electronically via the Internet or by completing, signing, dating and returning the proxy card or voting instruction card.

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Proxy Summary

Below is a summary of important information you will find in this Proxy Statement. This summary does not contain all of the information that you should consider, and you should read the entire Proxy Statement carefully before voting.

Summary of Shareholder Voting Matters

			Recommended
Proposal 1: Election of Directors		Page 61	ü **FOR**
Mark A. Buthman	Myla P. Lai-Goldman		Each Nominee
William F. Feehery	Douglas A. Michels		
Eric M. Green	John H. Weiland		
Thomas W. Hofmann	Patrick J. Zenner		
Paula A. Johnson			
Proposal 2: Advisory Vote to Approve Named Executive Officer Compensation		Page 67	ü **FOR**
Proposal 3: Approval of the Adoption of the West Pharmaceutical Services, Inc. 2016 Omnibus Incentive Compensation Plan		Page 68	ü **FOR**

Proposal 4: Ratification of the Appointment of PricewaterhouseCoopers LLP as our Independent Registered Public Accounting Firm for the 2016 Year	Page 76	ü **FOR**

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Our Director Nominees

You are being asked to vote on the directors nominated below. All directors are elected annually by a majority of votes cast, except in the case of a contested election where the number of nominees exceeds the number of open positions. Detailed information about each director s background and areas of expertise can be found beginning on page 62. All directors, except Mr. Green, are independent.

Name	Age	Director Since	Current Occupation	Current Committee Memberships AC	CC	NCGC	ITC	Other Current Public Boards
Mark A. Buthman	55	2011	Retired EVP & CFO, Kimberly-Clark	C		M		
William F. Feehery	45	2012	President, Industrial Biosciences, E.I. Du Pont de Nemours and Company				C	
Eric M. Green	46	2015	President & CEO, West Pharmaceutical Services, Inc.					
Thomas W. Hofmann	64	2007	Retired Sr. VP & CFO, Sunoco, Inc.	M	M			3
Paula A. Johnson	56	2005	Cardiologist; Exec. Dir. of Connors Center for Women s Health and Gender Biology Brigham and Women s Hospital	M			M	
Myla P. Lai-Goldman	58	2014	CEO and President of GeneCentric Diagnostics, Inc.				M	1
Douglas A. Michels	59	2011	President & CEO, OraSure Technologies, Inc.	M	M			1
John H. Weiland	60	2007	President & Chief Operating Officer, C. R. Bard, Inc.		C			1
Patrick J. Zenner	69	2002	Chairman, West; Retired CEO & Pres., Hoffmann-La Roche Inc.			C		1

LEGEND

M	*Member*	*AC*	*Audit Committee*	*CC*	*Compensation Committee*
C	*Chair*	*ITC*	*Innovation and Technology Committee*	*NCGC*	*Nominating and Corporate Governance Committee*

2015 Performance and Compensation Highlights

We believe that Mr. Green and the other named executive officers performed well in 2015 and that their compensation is appropriate in relation to that performance. Under their leadership, our Company achieved a total shareholder return (TSR) of 14% in 2015 and a cumulative three-year TSR of 126%. Those returns reflect our growing sales and profitability. Compared to 2014: net sales grew 7.2% (at constant currency exchange rates), gross margin grew by 110 margin points to 32.6%, adjusted operating margin grew 70 margin points to 13.6% and adjusted diluted earnings per share (EPS) increased 19% (at constant currency exchange rates).

(1) 2015 reported net sales decreased 1.5% versus 2014; unfavorable foreign currency translation reduced sales growth by 8.7%. See page 26 of our 2015 Form 10-K Annual Report for discussion of the impact of foreign currency rates on reported net sales.

(2) Below is a reconciliation of adjusted diluted EPS growth at constant currency exchange rates:

	2015	2014	Change
US GAAP Diluted EPS	$ 1.30	$ 1.75	-25.7%
Pension settlement charge	0.43		
Executive retirement and related costs	0.09		
License costs		0.01	
Discrete tax charges	0.01	0.02	
Adjusted diluted EPS	$ 1.83	$ 1.78	2.8%
Impact of foreign exchange rates	0.29		
Adjusted Diluted EPS at Constant Exchange rates	**$ 2.12**	**$ 1.78**	**19.1%**

(3) Gross margin and adjusted operating margin are discussed on page 27 and page 31 of our 2015 Form 10-K.

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GENERAL INFORMATION

The following table shows the components of 2015 compensation paid to our named executive officers, including total realizable pay. Realizable pay takes a retrospective look at pay and performance. Realizable pay is the sum of: (1) base salary paid; (2) annual incentive plan amounts actually earned for 2015 performance; (3) the in-the-money value of stock option grants made in 2015; (4) the current accrued estimate for payouts for the Performance-Vesting Share Unit award made in 2015 (at 98.5% of target); and, (5) the 2015 year end value of any time-vesting restricted stock granted in 2015. The table is not a substitute for our 2015 Summary Compensation Table set forth on page 45.

2015 Summary Compensation and Realizable Compensation

(all amounts in U.S. Dollars)

Name and Current Principal Position	Salary	Bonus	Stock Awards	Option Awards	Non-Equity Incentive Plan Compensation	Change in Pension Value and Nonqualified Deferred Compensation Earnings	All Other Compen-sation	SEC Total	SEC Total Without Change in Pension Value (1)	Total Realizable Compensation
Eric M. Green President & CEO	473,846	616,667	3,174,950	3,175,106	614,259	42,927	267,697	8,365,452	8,322,525	5,788,906
William J. Federici Sr. VP & CFO	515,483	-0-	350,015	350,006	447,210	119,960	24,388	1,807,062	1,687,102	1,554,856
Karen A. Flynn Sr. VP & CCO	425,526	-0-	312,512	326,744	359,630	19,334	33,191	1,476,937	1,457,603	1,304,692
John E. Paproski Sr. VP & CTO	374,196	-0-	299,990	299,994	272,580	112,865	30,706	1,390,331	1,277,466	1,154,311
George L. Miller Sr. VP, GC & Corp. Secretary	41,538	66,667	700,065	299,988	-0-	2,769	13,403	1,124,430	1,121,661	768,951
Donald E. Morel, Jr. Former Chairman & CEO	461,857	-0-	1,199,991	1,200,030	537,413	965,793	242,107	4,607,191	3,641,398	2,445,128

(1) This column is each officer s total compensation, as determined under applicable SEC rules, minus the change in pension value reported in the Change in Pension Value and Nonqualified Deferred Compensation Earnings column of the Summary Compensation Table. It shows the impact that change in pension values had on total compensation, as determined under applicable SEC rules, which vary substantially due to actuarial calculations. The amounts reported in the SEC Total Without Change in Pension Value column may differ substantially from the amounts reported in the Total column of the Summary Compensation Table required under SEC rules and are not a substitute for total compensation under the 2015 Summary Compensation Table.

Key 2015 Compensation-Related Actions

- Reaffirmed compensation philosophy to target our executive compensation at the median (50th percentile) of comparator group companies.

- Conducted formal pay-for-performance review of CEO compensation versus peers.

- Conducted realizable pay analysis to assess whether Company performance and CEO realizable pay are aligned over a given period of time.

- Evaluated compensation packages for outgoing Chairman and CEO, new President and CEO and new Senior Vice President, General Counsel and Corporate Secretary.

Other Existing Key Compensation Features

- Clawback of incentive compensation
- No single trigger feature on parachute payments in change-in-control agreements offered to future executives
- No-hedging/no-pledging of company stock
- Independent compensation consultant
- Share ownership requirements
- Annual compensation risk assessment
- Limited perquisites and personal benefits

Auditors

Set forth below is summary information with respect to PricewaterhouseCoopers LLP s fees for services provided in 2015 and 2014.

Type of Fees	2015	2014
Audit Fees	$1,869,280	$1,657,566
Audit-Related Fees	25,510	17,500
Tax Fees	315,374	159,505
All Other Fees	5,000	11,366
Total	$2,215,164	$1,845,937

General Information About the Meeting

Proxy Solicitation

Our Board of Directors is soliciting your vote on matters that will be presented at our 2016 Annual Meeting of Shareholders and at any adjournment or postponement. This Proxy Statement contains information on these matters to assist you in voting your shares.

The Notice, the accompanying proxy card or voting instruction card and our 2015 Form 10-K, including our annual report wrapper, are being mailed starting on or about March 23, 2016.

Shareholders Entitled to Vote

All shareholders of record of our common stock, par value $.25 per share, at the close of business on March 8, 2016, are entitled to receive the Notice and to vote their shares at the meeting.

As of that date, 72,712,473 shares of our common stock were outstanding. Each share is entitled to one vote on each matter properly brought to the meeting.

Voting Methods

You may vote at the Annual Meeting by delivering a proxy card in person or you may cast your vote in any of the following ways:

Mailing your signed proxy card or voter instruction card.	Using the Internet at *www.ProxyVote.com*.	Calling toll-free from the United States, U.S. territories and Canada to 1-800-690-6903.

How Your Shares Will Be Voted

In each case, for registered shareholders, your shares will be voted as you instruct. If you return a signed card, but do not provide voting instructions, your shares will be voted FOR each of the proposals. You may revoke or change your vote any time before the proxy is exercised by filing with our Corporate Secretary a notice of revocation or a duly executed proxy bearing a later date. You may also vote in person at the meeting, although attendance at the meeting will not by itself revoke a previously granted proxy. If you hold shares in the Company in Street name or through a broker, please refer to Broker Voting on the next page.

Plan Participants. Any shares you may hold in the West Pharmaceutical Services, Inc. 401(k) Plan or the Tech Group Puerto Rico Savings and Retirement Plan have been added to your other holdings on your proxy card. Your completed proxy card serves as voting instructions to the trustee of those plans. You may direct the trustee how to vote your plan shares by submitting your proxy vote for those shares, along with the rest of your shares, by Internet, phone or mail, all as described on the enclosed

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proxy card. If you do not instruct the trustee how to vote, your plan shares will be voted by the trustee in the same proportion that it votes shares in other plan accounts for which it received timely voting instructions.

Deadline for Voting. The deadline for voting by telephone or Internet is 11:59 PM Eastern Time on May 2, 2016. If you are a registered shareholder and attend the meeting, you may deliver your completed proxy card in person. Street name shareholders who wish to vote at the meeting will need to obtain a proxy form from the institution that holds their shares.

Broker Voting

If your shares are held in a stock brokerage account or by a bank or other holder of record, you are considered the beneficial owner of shares held in street name. The Notice would have been made available to you by your broker, bank or other holder of record who is considered the shareholder of record of those shares. As the beneficial owner, you may direct your broker, bank or other holder of record on how to vote your shares by using the proxy card included in the materials made available to you or by following their instructions for voting on the Internet. A broker non-vote occurs when a broker or other nominee that holds shares for another does not vote on a particular item because the nominee does not have discretionary voting authority for that item and has not received instructions from the owner of the shares. Although there is no controlling precedent under Pennsylvania law regarding the treatment of broker non-votes in certain circumstances, we intend to apply the principles outlined in the table below:

Proposal	Votes Required	Treatment of Abstentions and Broker Non-Votes	Broker Discretionary Voting
Proposal 1 - Election of Directors	The number of shares voted for a director must exceed the number of votes cast against that director.	Abstentions and broker non-votes will not be taken into account in determining the outcome of the proposal	No
Proposal 2 - Advisory Vote to Approve Named Executive Officer Compensation	Majority of the shares present and entitled to vote on the proposal in person or represented by proxy	Abstentions will have the effect of negative votes and broker non-votes will not be taken into account in determining the outcome of the proposal	No
Proposal 3 - Approval of the adoption of the West Pharmaceutical Services, Inc. 2016 Omnibus Incentive Compensation Plan	Majority of the shares present and entitled to vote on the proposal in person or represented by proxy	Abstentions will have the effect of negative votes and broker non-votes will not be taken into account in determining the outcome of the proposal	No

Proposal 4 - Ratification of the Appointment of PricewaterhouseCoopers LLC as our Independent Registered Public Accounting Firm for the 2016 Year	Majority of the shares present and entitled to vote on the proposal in person or represented by proxy	Abstentions and broker non-votes will have the effect of negative votes	Yes

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Quorum

We must have a quorum to conduct business at the 2016 Annual Meeting. A quorum consists of the presence at the meeting either in person or represented by proxy of the holders of a majority of the outstanding shares of our common stock entitled to vote. For the purpose of establishing a quorum, abstentions, including brokers holding customers shares of record who cause abstentions to be recorded at the meeting, and broker non-votes are considered shareholders who are present and entitled to vote, and count toward the quorum.

Mailings to Multiple Shareholders at the Same Address

We have adopted a procedure called householding for making the Proxy Statement and the Annual Report available. Householding means that shareholders who share the same last name and address will receive only one copy of the materials, unless we are notified that one or more of these shareholders wishes to continue receiving additional copies.

We will continue to make a proxy card available to each shareholder of record. If you prefer to receive multiple copies of the proxy materials at the same address, please contact us in writing or by telephone: Corporate Secretary, West Pharmaceutical Services, Inc., 530 Herman O. West Drive, Exton, PA 19341, (610) 594-3319.

Electronic Availability of Proxy Statement and Annual Report

We are pleased to be distributing our proxy materials to certain shareholders via the Internet under the notice and access approach permitted by the rules of the SEC. This method conserves natural resources and reduces our costs of printing and mailing while providing a convenient way for shareholders to review our materials and vote their shares.

On March 23, 2016, we mailed a Notice of Internet Availability to participating shareholders, which contains instructions on how to access the proxy materials on the Internet.

If you would like to receive a printed copy of our proxy materials, we will send you one free of charge. Instructions for requesting such materials are included in the Notice.

This Proxy Statement and our 2015 Annual Report are available at:

www.westpharma.com/na/en/Investors/Pages/ProxyMaterials.aspx

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Proxy Solicitation Costs

We pay the cost of soliciting proxies. Proxies will be solicited on behalf of the Board by mail, telephone, and other electronic means or in person. We have retained Georgeson Inc., 199 Water Street, 26th Floor, New York, NY 10038, to help with the solicitation for a fee of $8,500, plus reasonable out-of-pocket costs and expenses. We will reimburse brokerage firms and other custodians, nominees and fiduciaries their reasonable out-of-pocket expenses for forwarding solicitation materials to shareholders and obtaining their votes.

Corporate Governance and Board Matters

During 2015, our Board met seven times. Each director attended at least 75% of the Board meetings and the meetings of the Board committees on which he or she served. All directors are expected to attend the 2016 Annual Meeting, and all of our directors attended the 2015 Annual Meeting.

Our principal governance documents are our Corporate Governance Principles, Board Committee Charters, director qualification standards and Code of Business Conduct. Aspects of our governance documents are summarized below. We encourage our shareholders to read our governance documents, as they present a comprehensive picture of how the Board addresses its governance responsibilities to ensure our vitality and success. The documents are available in the *Investors* *Corporate Governance* section of our website at *www.westpharma.com* and copies of these documents may be requested by writing to our Corporate Secretary, West Pharmaceutical Services, Inc., 530 Herman O. West Drive, Exton, PA 19341.

Corporate Governance Principles

Our Board has adopted Corporate Governance Principles to provide guidance to our Board and its committees on their respective roles, director

- The Board s policy on setting director compensation and director share-ownership guidelines;

qualifications and responsibilities, Board and committee composition, organization and leadership. Our Principles address, among other things:

- Director qualification standards, including our independence standards;
- The requirement to hold separate executive sessions of the independent directors;
- The role of independent directors in executive succession planning;
- Guidelines on Board organization and leadership, including the number and structure of committees and qualifications of committee members;
- Guidelines on outside board memberships;
- Policies on access to management;
- Director orientation and education; and
- Self-assessments of board and committee performance to determine their effectiveness.

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Code of Business Conduct

All of our employees, officers and directors are required to comply with our Code of Business Conduct as a condition of employment. The Code of Business Conduct covers fundamental ethical and compliance-related principles and practices such as accurate accounting records and financial reporting, avoiding conflicts of interest, protection and proper use of our

property and information and compliance with legal and regulatory requirements. The Board has adopted a comprehensive Compliance and Ethics Program and has named Mr. Miller our Compliance Officer. Our Compliance Officer delivers regular reports on program developments and initiatives to the Audit Committee and the Board.

Board Leadership Structure

The current governance structure of the Board follows:

- The offices of Chairman and CEO are separate;
- The Board has established and follows robust corporate governance guidelines;
- All of the members of the Board, other than Mr. Green, are independent;
- The Audit, Compensation, Nominating and Corporate Governance and Innovation and Technology Committees are each composed solely of independent directors;
- Our independent directors meet regularly in executive session both at the Board and Board committee levels; and
- Our directors as a group possess a broad range of skills and experience sufficient to provide the leadership and strategic direction the Company requires as it seeks to enhance long-term value for shareholders.

Dr. Morel, the CEO prior to Mr. Green, served as both Chairman and CEO, whereas Mr. Green currently serves as President and CEO and Mr. Zenner serves as Chairman. The Board does not currently have a lead independent director, although the Board believes it may be useful and

appropriate to designate a lead independent director if the offices of Chairman and CEO are combined in the future.

The Board takes a flexible approach to the issue of whether the offices of Chairman and CEO should be separate or combined. This approach allows the Board to regularly evaluate whether it is in the best interests of the Company for the CEO or another director to hold the position of Chairman.

With the retirement of Dr. Morel and appointment of Mr. Green, the Board reassessed the combination of the CEO and Chairman positions. Effective upon Dr. Morel s retirement as CEO, the Board determined that separating the positions is currently the best leadership structure for the Company.

We believe the current Board leadership structure is appropriate at this time because it allows the Chairman to focus on corporate governance and management of the Board priorities and allows the CEO to focus directly on managing our operations and growing the Company.

During previous CEO transitions, the Board has twice separated the CEO and Chairman roles. This approach has been successful in enabling the CEO to develop strategy in consultation with the Board and ensure the effective implementation of that strategy.

Chairman of the Board of Directors

Upon Dr. Morel s stepping down as CEO on April 24, 2015, he was named Chairman through June 30, 2015 to aid in the transition to Mr. Green as the new CEO. Upon Dr. Morel s retirement as Chairman on June 30, 2015, Patrick J. Zenner, an independent director who is the Chairman of the Nominating and Corporate Governance Committee and previously served as the Chairman, Independent Directors, was appointed by the Board effective in July 2015 to serve as the Chairman of the Board until the 2016 Annual Meeting of Shareholders. The responsibilities of the Chairman include:

- Chairing Board meetings, including executive sessions of the independent directors;
- Approving agendas and schedules for each Board meeting in consultation with the CEO; and,
- Serving as principal liaison between the CEO and the independent directors.

Each independent director may add items to the agenda. Independent directors meet in regularly scheduled executive sessions and in special executive sessions called by the Chairman.

Committees

The Board has four standing committees:

- Audit Committee;
- Compensation Committee;
- Nominating and Corporate Governance Committee; and,
- Innovation and Technology Committee.

From time to time the Board may form ad hoc committees to address specific situations as they may arise. During 2014, the Board established one ad hoc committee, the Succession Planning

Committee. The Succession Planning Committee was dissolved upon the appointment of Mr. Green as CEO on April 24, 2015. Each committee consists solely of independent directors. Each standing committee has a written charter, which is posted in the *Investors Corporate Governance* section of our website at *www.westpharma.com*.

You may request a printed copy of each standing committee s charter from our Corporate Secretary.

Audit Committee

Mark A. Buthman (Chair)
Thomas W. Hofmann
Paula A. Johnson
Douglas A. Michels

The Audit Committee assists our Board in its oversight of: (1) the integrity of our financial statements; (2) the independence and qualifications of our independent auditors; (3) the performance of our internal audit function and independent auditors; and (4) our compliance with legal and regulatory requirements. In carrying out these responsibilities, the Audit Committee, among other things:

- Reviews and discusses our annual and quarterly financial statements with management and the independent auditors;

- Manages our relationship with the independent auditors, including having sole authority for their appointment, retention and compensation; reviewing the scope of their work; approving non-audit and audit services; and confirming their independence; and

- Oversees management s implementation and maintenance of disclosure controls and procedures and internal control over financial reporting.

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The Board has determined that Mr. Buthman and Mr. Hofmann are each an audit committee financial expert as defined in SEC regulations. In 2015, the Audit Committee met seven times. All members of the Audit Committee are independent as defined in the listing standards of the New York Stock Exchange (NYSE) and the Company s Corporate Governance Principles.

Compensation Committee

John H. Weiland (Chair)
Thomas W. Hofmann
Douglas A. Michels

The Compensation Committee develops our overall compensation philosophy, and, either as a committee or together with the other independent directors, determines and approves our executive compensation programs, makes all decisions about the compensation of our executive officers and oversees our cash and equity-based incentive compensation plans.

Additional information about the roles and responsibilities of the Compensation Committee can be found under the heading Compensation Discussion and Analysis. In 2015, the Compensation Committee met seven times. All members of the Compensation Committee are independent as defined in the listing standards of the NYSE and the Company s Corporate Governance Principles.

Nominating and Corporate Governance Committee

Patrick J. Zenner (Chair)
Mark A. Buthman
Anthony Welters

The Nominating and Corporate Governance Committee identifies qualified individuals to serve as board members; recommends nominees for director and officer positions; determines the appropriate size and composition of our Board and its committees; monitors a process to assess Board effectiveness; reviews related-party transactions; and considers matters of corporate governance. The Committee also reviews and makes recommendations to the Board regarding compensation for non-employee directors and administers director equity-based compensation plans.

In 2015, the Nominating and Corporate Governance Committee met five times. All members of the Committee are independent as defined in the listing standards of the NYSE and the Company s Corporate Governance Principles.

Innovation and Technology Committee

William F. Feehery (Chair)
Paula A. Johnson
Myla P. Lai-Goldman

The Innovation and Technology Committee provides guidance to our Board on technical and commercial innovation strategies, reviews emerging technology trends that may affect our business, reviews our major innovation and technological programs and overall patent strategies, and assists our Board in making well-informed choices about investments in new technology. In 2015, the Innovation and Technology Committee met three times.

Succession Planning Committee (Ad Hoc)

Patrick J. Zenner (Chair)
Thomas W. Hofmann
Myla P. Lai-Goldman
John H. Weiland

The Succession Planning Committee was an ad hoc committee formed in 2014 to provide guidance to our Board on succession planning for the impending retirement of Dr. Morel, announced in October 2014. Dr. Morel s retirement as CEO occurred in April 2015, and he remained Chairman through June 30, 2015. In 2015, the Succession Planning Committee met four times. This Committee was dissolved upon the appointment of Mr. Green as CEO.

Board Matters

During 2015, our Board and each of its Committees played pivotal roles in helping to develop and approve our corporate strategy. The major issues debated and decided by the Board during 2015 included:

- Selecting Mr. Green as successor to Dr. Morel;
- Separating the CEO and Chairman roles;
- Approving our enterprise strategic plan;
- Reviewing and approving our executive and board compensation strategies; and
- Reviewing potential targets for mergers and acquisitions and potential licensing opportunities.

The Board s Role in Risk Oversight

The Board s role in risk oversight is consistent with our leadership structure, with management having day-to-day responsibility for assessing and managing our risk exposure and the Board actively overseeing management of our risks both at the Board and committee level.

The Board regularly reviews and monitors the risks associated with our financial condition and operations and specifically reviews the enterprise risks associated with our five-year plan. In particular, the Board reviews our risk portfolio, confirms that management has established risk-management processes that are functioning effectively and efficiently and are consistent with our corporate strategy, reviews the most significant risks and determines whether management is responding appropriately.

The Board performs its risk oversight role by using several different levels of review. Each Board meeting begins with a strategic overview by the CEO that describes the most significant issues, including risks, affecting the Company and also includes business updates from each reportable segment. In addition, the Board reviews in detail the business and operations of each reportable segment quarterly, including the primary risks associated with that segment.

The Board focuses on the overall risks affecting West. Each committee has been delegated the responsibility for the oversight of specific risks that fall within its areas of responsibility. For example:

- The Compensation Committee is responsible for overseeing the management of risks relating to our executive compensation policies, plans and arrangements and the extent to which those policies or practices increase or decrease risk for the Company.

- The Audit Committee oversees management of financial reporting, compliance and litigation risks as well as the steps management has taken to monitor and control such exposures.

- The Nominating and Corporate Governance Committee manages risks associated with the independence of the Board, potential conflicts of interest and the effectiveness of the Board.

- The Innovation and Technology Committee reviews risks associated with intellectual property, innovation efforts and our technology strategy.

- The ad hoc Succession Planning Committee reviewed risks associated with choosing a new Chief Executive Officer and ensuring an effective transition from Dr. Morel to his successor.

Although each committee is responsible for evaluating certain risks and overseeing the management of those risks, the full Board is regularly informed about those risks through committee reports.

Director Independence

Our Board has adopted a formal set of categorical director qualification standards (Standards) used to determine director independence. The Standards meet or exceed the independence requirements of the NYSE corporate governance listing standards. Under the Standards, a director must have no material relationship with us other than as a director. The Standards specify the criteria for determining director independence, including strict guidelines for directors and their immediate families regarding employment or affiliation with us, members of our senior management or their affiliates. The full text of the Standards may be found under the *Investors Corporate Governance* section on our website at *www.westpharma.com.*

The Board undertook its annual review of director independence in February 2016. As a result of this review, the Board did not substantively revise the Standards. Subsequently, the Board considered whether any relationships described under the Standards between the Company and each individual director existed. As a result of the review, the Board affirmatively determined that each of its non-employee directors is independent of the Company and its management team as defined under the Standards.

Executive Sessions of Independent Directors

Our Board also holds regular executive sessions of only independent directors to review the Company s strategy and management s operating plans, the criteria by which our CEO and other senior executives are measured,

management s performance against those criteria and other related issues and to conduct a self-assessment of its performance. Last year, our independent directors held seven executive sessions.

Director Mandatory Retirement

A non-employee director must retire on the date of the annual meeting of shareholders immediately following his or her 72nd birthday.

An employee director must submit his or her resignation upon the date he or she ceases to be an executive of the Company.

Share Ownership Goals for Directors and Executive Management

To encourage significant share ownership by our directors and further align their interests with the interests of our shareholders, directors are expected to acquire within three years of appointment, and to retain during their Board tenure, shares of our common stock equal in value to at least five times their annual retainer. The Board has also set share ownership goals for senior executive management, which are set forth in Compensation Discussion and Analysis Other Compensation Policies.

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Communicating with the Board

You may communicate with the Chairman of the Board or the independent directors as a group by sending a letter addressed to the Board of Directors, c/o Corporate Secretary, West Pharmaceutical Services, Inc., 530 Herman O. West Drive, Exton, Pennsylvania 19341. Communications to a particular director should be addressed to that director at the same address.

Our Corporate Secretary maintains a log of all communications received through this process. Communications to specific directors are forwarded to those directors. All other communications are given directly to the Chairman of the Board who decides whether they should be forwarded to a particular Board committee or to management for further handling.

Nomination of Director Candidates

Candidates for nomination to our Board are selected by the Nominating and Corporate Governance Committee in accordance with the Committee s charter, our Amended and Restated Articles of Incorporation, our Bylaws and our Corporate Governance Principles. All persons recommended for nomination to our Board, regardless of the source of the recommendation, are evaluated by the Committee.

The Board and the Nominating and Corporate Governance Committee consider, at a minimum, the following factors in recommending potential new Board members or the continued service of existing members:

- A director is nominated based on his or her professional experience. A director s traits, expertise and experience add to the skill-set of the Board as a whole and provide value in areas needed for the Board to operate effectively.

- A director must have high standards of integrity and commitment, and exhibit independence of judgment, a willingness to ask hard questions of management and the ability to work well with others.

- A director should be willing and able to devote sufficient time to the affairs of the Company and be free of any disabling conflict.

- All of the non-employee directors should be independent as outlined in our Standards.

- A director should exhibit confidence and a willingness to express ideas and engage in constructive discussion with other Board members, Company management and all relevant persons.

- A director should actively participate in the decision-making process, be willing to make difficult decisions, and demonstrate diligence and faithfulness in attending Board and committee meetings.

- The Board generally seeks active or former senior-level executives of public companies, particularly those with international operations, leaders in the healthcare or public health fields, with science or technology backgrounds, and individuals with financial expertise.

When reviewing nominees, the Nominating and Corporate Governance Committee considers whether the candidate possesses the qualifications, experience and skills it considers appropriate in the context of the Board s overall composition and needs. The Nominating and Corporate Governance Committee also values diversity on the Board in the director nominee identification and nomination process.

Accordingly, the Committee s evaluation of director nominees includes consideration of their ability to contribute to the diversity of personal and professional experiences, opinions, perspectives and backgrounds on the Board. The Committee regularly assesses the effectiveness of this approach as part of its review of the Board s composition.

To assist it with its evaluation of the director nominees for election at the 2016 Annual Meeting, the Committee took into account the factors listed above and used a skills matrix highlighting the experience of our directors in areas such as industry experience, leadership, financial literacy, risk management expertise and independence.

Under the heading Director Qualifications and Biographies, we provide an overview of each

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nominee s principal occupation, business experience and other directorships of publicly-traded companies, together with the qualifications, experience, key attributes and skills the Committee and the Board believe will best serve the interests of the Board, the Company and our shareholders.

Shareholders who wish to recommend or nominate director candidates must provide information about themselves and their candidates and comply with procedures and timelines contained in our Bylaws. These procedures are described under Other Information 2017 Shareholder Proposals or Nominations in this Proxy Statement.

Related Person Transactions and Procedures

The Board has adopted written policies and procedures relating to the Nominating and Corporate Governance Committee s review and approval of transactions with related persons that are required to be disclosed in proxy statements under SEC regulations. A related person includes our directors, officers, 5% shareholders and immediate family members of these persons.

Under the policy, the Nominating and Corporate Governance Committee reviews the material facts of all related-person transactions, determines whether the related person has a material interest in the transaction and may approve, ratify, rescind or take other action with respect to the transaction.

In approving a transaction, the Committee will take into account, among other factors, whether

the transaction is on terms no less favorable than terms generally available to an unaffiliated third party under the same or similar circumstances and the extent of the related person s interest in the transactions.

The Committee reviews and pre-approves certain types of related person transactions, including certain transactions with companies at which the related person is an employee only, and charitable contributions that would not disqualify a director s independent status. The policy and procedures can be found in the *Investors Corporate Governance Related Party Transaction Policies and Procedures* section of our website *www.westpharma.com*.

We have no related person transactions required to be reported under applicable SEC rules.

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Director Compensation

2015 Director Compensation

During 2015, our non-employee directors received annual grants of stock-settled restricted stock units (RSUs) equal to $130,000 and a cash annual retainer of $70,000. The following table shows the structure of total 2015 compensation of our non-employee directors.

Non-Employee Director Compensation Elements (2015)

Compensation Item	2015 Amount
Annual Retainers and Chair Fees	
Board membership	$70,000
Chairman, Independent Directors	20,000
Audit Committee Chair	15,000
All Other Committee Chairs	10,000
Restricted Stock Units	130,000

Ad Hoc Succession Planning Committee

Due to the importance of attracting and selecting appropriate CEO candidates, the Board approved a special one-time payment to members of the ad hoc Succession Planning Committee when Mr. Green was hired on April 24, 2015. The Chairman of the of any fees otherwise payable as Chairman, Independent Directors. The $100,000 may be delivered in cash, payable 25% per quarter, or restricted stock that vests 25% per quarter as elected by the Chairman, provided that he remains in service with the Board. Absent an election, the amount is paid $50,000 in cash and $50,000 in restricted stock. Mr. Zenner was elected Chairman as of July 1, 2015 to serve until the 2016 Annual Meeting of Shareholders, a period of ten months. Therefore, the $100,000 payment was pro-rated to be $83,333. Mr. Zenner elected to have 50% of this

Committee, Mr. Zenner, received a payment of $15,000 and the other Committee members, Mr. Hofmann, Dr. Lai-Goldman, and Mr. Weiland, received $10,000 each.

Chairman of the Board

In light of the additional duties imposed upon a non-executive Chairman of the Board in May 2015, the Nominating and Corporate Governance Committee approved additional compensation for the Chairman of the Board. Mr. Zenner, who was appointed Chairman, recused himself from the discussion and the Board sought the input of Pay Governance LLC, the Company s independent compensation consultant, who benchmarked compensation practices. The Board determined that an additional retainer of $100,000 per year should be paid to the Chairman of the Board. This retainer is in lieu

amount paid in cash and 50% delivered in restricted stock.

2016 Changes to Board Compensation

Additionally, after consulting with Pay Governance, the Board approved changes to the compensation structure for our non-employee directors effective January 1, 2016. This new structure provides for $160,000 in restricted stock units annually (an increase of $30,000) and increases in cash compensation to reflect market trends. The Compensation Committee Chairman fee was increased in recognition of the additional duties required of that role. The new 2016 compensation structure is set forth below.

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DIRECTOR COMPENSATION

Non-Employee Director Compensation Elements

(Effective January 2016)

Compensation Item	2016 Amount
Annual Retainers and Chair Fees	
Chairman of the Board (cash or stock, as elected)	$100,000
Board membership	80,000
Audit Committee Chair	20,000
Compensation Committee Chair	20,000
All Other Committee Chairs	10,000
Restricted Stock Units	160,000

The following table shows the total 2015 compensation of our non-employee directors.

2015 Non-Employee Director Compensation

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	All Other Compensation ($)	Total ($)
Mark A. Buthman	85,000	130,000	9,991	224,991
William F. Feehery	80,000	130,000	7,032	217,032
Thomas W. Hofmann	80,000	130,000	15,330	225,330
Paula A. Johnson	70,000	130,000	20,122	220,122
Myla P. Lai-Goldman	80,000	130,000	1,716	211,716
Douglas A. Michels	70,000	130,000	11,446	211,446
John H. Weiland	90,000	130,000	25,358	245,358
Anthony Welters	70,000	130,000	42,788	242,788
Patrick J. Zenner	127,526	130,000	24,365	281,891

Fees Earned or Paid in Cash

The amounts in the Fees Earned or Paid in Cash column are retainers earned for serving on our Board, its committees and as committee chairs and Chairman, Independent Directors or Chairman, as applicable. All annual retainers are paid quarterly. For Mr. Zenner this amount includes the pro rata portion of his fees for serving as Chairman of the Board after July 1, 2016 and Lead Independent Director before that. The amounts are not reduced to reflect elections to defer fees under the Non-Qualified Deferred Compensation Plan for Non-Employee Directors (Director Deferred Compensation Plan). During 2015, Mr. Buthman, Dr. Lai-Goldman, Mr. Michels, Mr. Weiland, and Mr. Welters deferred 100% of their cash compensation.

Stock Awards

The amounts in the Stock Awards column reflect the grant date fair value of stock-settled RSU awards made in 2015. The grant date fair value is determined under Financial Accounting Standards Board Accounting Standards Codification (FASB ASC) Topic 718. In 2015, each non-employee director was awarded 2,448 RSUs, with a grant date fair market value of $53.10 per share based on the closing price of our common stock on the award date, May 5, 2015. For a discussion on RSU grant date fair value, refer to Note 12 of the consolidated financial statements included in our 2015 Form 10-K.

RSUs are granted on the date of our Annual Meeting and fully vest on the date of the next Annual Meeting so long as a director remains on the Board as of that date. Generally, all unvested grants of equity forfeit upon termination.

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However, if a director retires during the calendar year that he reaches age 72, the award will vest pro rata on a monthly basis through the date of retirement.

Stock-settled RSUs are distributed upon vesting, unless a director elects to defer the award under the Director Deferred Compensation Plan. In 2015, all continuing directors elected to defer their awards except for Mr. Hofmann and Mr. Zenner. All awards are distributed as shares of common stock, as described below. When dividends are paid on common stock, additional shares are credited to each director s deferred stock account as if those dividends were used to purchase additional shares.

All Other Compensation

The amounts in the All Other Compensation column are the sum of the: (1) Dividend Equivalent Units (DEUs) credited to accounts under the Director Deferred Compensation Plan, and (2) with respect to Mr. Zenner and Ms. Johnson, a charitable contribution of $1,000 each was made under our charitable contribution matching program, which is available to our employees, retirees and directors on a non-discriminatory basis.

Stock Options

Prior to 2007, non-employee directors received annual grants of stock options, which vested on the first anniversary of the grant date. After benchmarking this practice, our Board ceased granting stock options to directors. All stock options are vested and expire ten years after the original date of grant. The following table sets forth all stock and stock options held by each director at the end of 2015.

Outstanding Director Stock Awards and Stock Options at Year-End 2015

Name	Vested Deferred Stock Awards (#)	Unvested Deferred Stock and RSU Awards (#)	Total Deferred Stock and RSU Awards (#)	Stock Options Outstanding (#)
Mark A. Buthman	17,122	2,457	19,579	
William F. Feehery	12,242	2,457	14,699	
Thomas W. Hofmann	32,180	2,457	34,637	
Paula A. Johnson	33,594	2,457	36,051	7,800
Myla P. Lai-Goldman	3,055	2,457	5,512	
Douglas A. Michels	17,122	2,457	19,579	
John H. Weiland	36,648	2,457	39,105	
Anthony Welters	36,648	2,457	39,105	
Patrick J. Zenner	37,078	2,457	39,535	12,800

Director Deferred Compensation Plan

All non-employee directors may participate in the Director Deferred Compensation Plan, which permits participants to defer all or a part of their annual cash compensation until their Board service terminates. Deferred fees may be credited to a stock-unit account that is deemed invested in our common stock or to an account that earns interest at the prime rate of our principal commercial bank. Stock-unit accounts are credited with DEUs based on the number of stock units credited on the dividend record date.

The value of a director s account balance is distributed on termination of Board service. The value of a director s stock-unit account is determined by multiplying the number of units credited to the account by the fair market value of our common stock on the termination date.

RSUs that a director elects to defer (and all shares of deferred stock) are distributed in shares of stock. Pre-2014 stock units may be distributed in cash in lieu of stock, if a director made an election in 2013. All post-2013 stock

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units are only distributable in stock. Partial shares are distributed in cash.

Directors may receive their distribution as a lump sum or in up to ten annual installments. Separate elections apply to amounts earned and vested before 2005 and amounts earned and vested after December 31, 2004. If a director elects the installment option, any cash-account balances during the distribution period will earn interest at the prime rate of our principal commercial bank and deferred stock and stock-settled units will be credited with DEUs until paid.

Director Deferred Compensation Plan at Year-End 2015

The following table summarizes the amounts credited to each Director Deferred Compensation Plan account as of December 31, 2015:

Name	Cash-Settled Stock Units Value(1) ($)	Stock-Settled Stock Units Value(1) ($)	Deferred Stock and RSU Value (1) ($)	Amount Invested in Cash Account (2) ($)	Total Account Balance ($)
Mark A. Buthman	-0-	386,372	1,179,047	-0-	1,565,419
William F. Feehery	-0-	194,812	885,174	-0-	1,079,986
Thomas W. Hofmann	-0-	-0-	2,085,840	-0-	2,085,840
Paula A. Johnson	-0-	437,559	2,170,991	-0-	2,608,550
Myla P. Lai-Goldman		51,307	331,933		383,240
Douglas A. Michels	377,837	573,174	1,179,047	-0-	2,130,058
John H. Weiland	1,085,291	1,331,645	2,354,903	-0-	4,771,839
Anthony Welters	-0-	3,716,839	2,354,903	76,224	6,147,966
Patrick J. Zenner	-0-	976,046	2,380,798	-0-	3,356,844

(1) Value is determined by multiplying the number of stock units or shares of deferred stock, as applicable, times $60.22, the fair market value of a share of stock on December 31, 2015. Stock units relate to deferred compensation that has previously been reported in the Fees Earned or Paid in Cash column for the year the compensation was earned.

(2) The amount invested in cash account earned interest at a rate of 3.25% compounded quarterly for the first three quarters of 2015 and 3.5% compounded quarterly for the last quarter of 2015, which resulted in $2,435 in the aggregate being credited to Mr. Welters account in 2015.

Executive Compensation

Executive Summary

Our Compensation Philosophy and Goals

We believe that our long-term success is directly related to our ability to attract, motivate and retain highly talented individuals committed to continually improving financial performance, achieving profitable growth on a sustainable basis and enhancing shareholder value.

To that end, our Compensation Committee has developed and implemented a pay-for-performance compensation philosophy that closely aligns our executives incentive compensation with Company performance and shareholder interests on a short- and long-term basis without promoting excessive risk. When we deliver expected performance, our pay should approximate the market median. Actual compensation, however, varies with our performance.

The Annual Incentive Plan (AIP), our annual cash incentive bonus plan, is based primarily on our performance on two financial measures: adjusted diluted EPS and adjusted operating cash flow. Performance standards for regional and divisional heads, including Mr. Paproski and Ms. Flynn, also included targets for divisional sales, operating profit and cash flow. Mr. Paproski, who led our Delivery Systems business unit in 2015, where innovation is key to our success, is also subject to goals based on reaching milestones for our key innovative projects. No awards are paid unless performance exceeds the threshold of 85% of the target. At the 85% level only 50% of the AIP target is paid.

Our long-term incentive awards are aligned with shareholder interests because they deliver value based on the achievement of the three-year compound annual growth rate (CAGR) and the return on invested capital (ROIC) targets, along with encouraging share ownership and retention of key talent.

As in prior years, we undertook a review to ensure our long-term goals were delivering shareholder value. That review indicated that our long-term incentive plan payouts are highly-

correlated with our TSR over the performance period and that our TSR outpaces our peers and the market as a whole.

A significant portion of the total compensation opportunity for each of our executives, including the named executive officers or NEOs, is directly dependent on the achievement of pre-established corporate goals.

Our New Leadership Structure

On January 12, 2016, we announced a reorganization of the Company including the manner in which we manage our business. Key changes include:

- Formation of a Commercial organization led by Ms. Flynn. This organization will leverage the strength of West s proprietary product portfolio by focusing on three key customer markets Biologics, Generics and Pharmaceuticals, and also includes our contract manufacturing business unit;

- Formation of the Innovation and Technology organization initially led by Mr. Paproski. Mr. Paproski announced his retirement effective April 1, 2016 and will be succeeded by Eric Resnick. This organization will focus on product design and development to push the leading-edge of applications to contain, administer and deliver injectable therapies. These include new delivery platforms, such as the SmartDose® wearable injector, and new applications of Daikyo Crystal Zenith® technology; and,

- Consolidation of our global operating footprint with the newly formed Global Operations organization. This organization reports directly to the CEO.

This realignment will enable our teams to be more responsive and proactive, addressing the needs and challenges of each specific customer group and driving improvements and efficiencies in our global operations and supply chain.

During 2016, we also realigned annual incentive plan targets and philosophy consistent with our new organizational structure and our refined enterprise strategy. These revised targets will help ensure alignment between business performance and pay.

Investor Outreach and 2015 Say-on-Pay Results

At our 2015 Annual Meeting of Shareholders, we held a shareholder Say-on-Pay advisory vote to approve the compensation of our NEOs as disclosed in our Proxy Statement. Shareholders expressed overwhelming support for the compensation of our NEOs, with approximately 98.7% of the votes (present at the meeting and entitled to vote) cast to approve NEO compensation.

The Committee considered this vote as demonstrating strong support for our compensation programs and continued to apply the same effective principles and philosophies that have been applied in prior years when making compensation decisions for 2015. These

principles and philosophies are highlighted above and described more fully below.

To ensure that the Committee considers shareholder views on compensation matters, we maintain an active shareholder engagement program. Throughout the year, we meet with our actively-managed shareholders, which represent in the aggregate a majority of our shares. These shareholders have historically expressed support for our long-term performance goals, including ROIC and CAGR. The Committee receives regular updates on investor feedback and understands that shareholders remain very focused on the alignment of pay and performance.

2015 Financial Highlights

The Company delivered exceptional financial performance in 2015, achieving record net sales, adjusted operating profit and adjusted diluted EPS. Compared to 2014 net sales increased 7.2% (at constant currency exchange rates), gross margin grew by 110 margin points to 32.6%, adjusted operating margin grew 70 margin points to 13.6% and adjusted diluted EPS increased 19% (at constant currency exchange rates). For additional information please see Performance and Compensation Highlights on page 2.

Our shareholders also benefitted as we delivered a three-year and one-year TSR which exceeded

the average of the S&P 500 and the Business Segment Comparator Group of companies we use for benchmarking our executive compensation.

As discussed in more detail below, our annual incentive plan uses a one-year measurement period and our long-term incentive plan uses three-year metrics and, due to our strong performance in each period, both programs paid at higher than target levels. This is in contrast to 2014 when our AIP paid at less than target and our annual TSR, while strong, was less favorable compared to the market.

One-Year Comparative TSR

Three-Year Cumulative TSR

Executive Compensation Elements

Compensation Component	Objectives	Key Features
Base Salary	Fair and competitive compensation to attract, retain and reward executive officers by providing a fixed level of cash compensation tied to experience, skills and capability relative to the market	• Annual cash compensation that is not at risk • Targeted to the 50th percentile of our compensation comparator groups, with variations based on experience, skills and other factors • Adjustments considered annually based on level of pay relative to the market, individual and Company performance
Annual Incentive Award	Focuses executives on annual results by rewarding them for achieving key budgeted financial targets Links executives interests with those of shareholders by promoting profitable growth Helps retain executives by providing market-competitive compensation	• At-risk cash awards based on adjusted diluted EPS and adjusted operating cash flow, and when applicable division performance objectives, calculated at budgeted exchange rates and adjusted for unusual or non-recurring items • Annual award payouts may vary from 0% to 150% of the targeted award
Long-Term Incentive Award (PVSUs and Stock Options)	Aligns executives interests with those of shareholders by linking compensation with long-term corporate performance that benefits our shareholders	• Performance-based long-term compensation • Generally targeted at a level that, when aggregated with AIP and base salary, will provide total direct compensation at the 50th percentile of comparator groups

	Retains and provides incentives to executives through multi-year performance-vesting share units (PVSUs) and stock options	• Uses PVSUs and stock options to provide rewards for both financial performance and increased stock price
	Promotes a sensible balance of risk and reward, without encouraging unnecessary or unreasonable risk taking	• PVSUs have a three-year performance period; stock options vest in annual increments over a four-year period • Shares earned under PVSU awards vary from 0% to 200% of targeted award
Retirement Plan and Non-Qualified Deferred Compensation Plan	Attracts and retains executives by providing a level of retirement income and retirement savings in a tax-efficient manner	• Provides a defined-benefit plan that transitioned to a cash-balance plan formula in 2007 • Executives may elect to defer up to 100% of their annual cash compensation

2015 Performance-Based Bonuses (Cash)

AIP payouts for all officers, including the NEOs, are based on our performance against two principal corporate financial metrics: adjusted diluted EPS and adjusted operating cash flow. Payouts for executives who manage divisional business units also depend partially on divisional

performance. The target bonus is set as a percentage of base salary, which for the NEOs, ranges from 65% to 100%. Mr. Miller was not eligible for an AIP bonus in 2015 due to his hire date being after November 15, 2015, which is a uniform requirement in the plan. 2015 AIP

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target goals were set by the Committee based on the budget approved by the Board and the Committee s determination that the targets contained sufficient stretch. During 2015, we significantly exceeded our target levels, achieving 107.4% of our established corporate targets, which apply to all AIP participants. This performance was more favorable than in 2014, when we did not reach our target performance levels. These results and consequent payouts demonstrate our pay-for-performance philosophy

discussed in the Compensation Discussion and Analysis below. During 2014, the payouts under the AIP, which measures short-term performance, were less than 100%; while in 2015, when the short-term performance was better, the payouts were correspondingly higher. A reconciliation of the adjusted diluted EPS and adjusted operating cash flow to amounts reported under U.S. GAAP is provided below under Financial Measures.

2015 AIP Performance Against Primary Metrics

Threshold, Target and Actual Performance

2015 Long-Term Incentive Awards (Equity)

Long-term incentive compensation opportunities for our executives, including the NEOs, are entirely equity based. Executives receive an award of PVSUs and time-vested stock options, approximately equal in expected value. The value of each NEO s long-term grant is determined by the Committee based on its review of peer-group market data, the

executive s roles and responsibilities, his or her impact on our results, and advancement potential. PVSUs entitle the recipient to receive common shares based on achievement of three-year CAGR and ROIC targets. The following chart shows the performance against target and threshold for the three-year performance period that ended December 31, 2015.

Performance Against Long-Term Metrics (1) **2013-2015 Performance Periods**

(1) Calculated at 2015 budgeted foreign exchange translation rates.

Our Compensation Practices

We continue to incorporate leading practices into our compensation programs:

- Our compensation philosophy targets total direct compensation of our NEOs at the 50th percentile of comparator group companies.
- We prohibit our officers and directors from hedging, pledging or engaging in any derivatives trading with respect to our common stock.
- Our equity incentive plan prohibits the repricing or exchange of awards without shareholder approval.
- DEUs are paid on equity awards only if the underlying award is earned and vested.
- We conduct realizable-pay analyses on our CEO compensation and review tally sheets to provide additional benchmarking information on executive pay.
- We require a double-trigger feature and have not provided golden parachute excise tax gross-ups in any change-in-control agreements offered to executives after 2010, including our new CEO.
- We require our executive officers to meet share-ownership guidelines, and to take a portion of their bonus in shares until their ownership guidelines are met. The ownership guideline for our CEO is six times base salary and the guideline for our other executives is two times base salary.
- The Committee has engaged an independent outside compensation consultant. See Role of the Compensation Consultant and Executives.

- The Committee may cancel or recover any cash- or equity-based incentive compensation based on achievement of specified financial results that are the subject of a subsequent restatement. We will seek repayment of any amount determined to have been inappropriately received due to mathematical errors, fraud, misconduct or gross negligence.

Compensation Committee Report

The Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis. Based on its review and discussions with management, the Compensation Committee recommended to the Board, and the Board approved, the inclusion of the Compensation Discussion and Analysis in this Proxy Statement and in the Company s Annual Report on Form 10-K for the fiscal year ended December 31, 2015.

Compensation Committee

John H. Weiland, Chairman

Thomas W. Hofmann

Douglas A. Michels

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Compensation Discussion and Analysis

This section discusses our executive compensation programs for 2015, the compensation decisions made under those programs and the factors that were considered by the Committee in making those decisions. It focuses on the compensation for each of our NEOs for 2015:

- Eric M. Green, President and Chief Executive Officer;
- William J. Federici, Senior Vice President and Chief Financial Officer;
- Karen A. Flynn, Senior Vice President and Chief Commercial Officer (formerly, President, Pharmaceutical Packaging Systems);
- John E. Paproski, Senior Vice President and Chief Technology Officer (formerly, President, Pharmaceutical Delivery Systems);
- George L. Miller, Senior Vice President, General Counsel and Corporate Secretary; and
- Donald E. Morel, Jr., Former Chairman and Chief Executive Officer.

This Compensation Discussion and Analysis is divided into two parts:

Part 1 discusses our 2015 performance, the Committee s actions in 2015, our compensation practices and the compensation decisions for our NEOs.

Part 2 discusses our compensation framework in more detail, including how we apply our compensation philosophy and determine competitive positioning of our executive compensation and other policies.

Part 1 2015 Performance, Compensation Committee Actions,

Compensation Practices and Decisions

2015 Performance Overview

2015 was an outstanding year for the Company and its shareholders. Among the accomplishments of our executive team were:

- Net sales increased by $102.3 million, or 7.2% (excluding foreign currency effects) and adjusted diluted EPS increased 19% at constant exchange rates.

- Our 2015 gross margin improved to 32.6%, an increase of 110 margin points and our adjusted operating margin increased by 70 margin points to 13.6%.

- Continued emphasis on products that meet higher quality standards and create greater revenue, which resulted in 2015 sales growth of 14.8% at constant exchange rates for PPS high-value products.

- PDS continued to make progress toward the U.S. Food and Drug Administration approval of the SmartDose wearable injector, which features a silicone-free Daikyo Crystal Zenith cartridge and a FluroTec® coated piston containment system.

- Contract manufacturing products sales increased 6% over 2014 on a constant currency basis.

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- Completed the validation of our Kinston, North Carolina facility to address demand for high-value products, while also making progress in the construction of our Waterford, Ireland campus to address longer-term product demands.

- Increased quarterly dividend to $0.12 per share.

- Seamless transition of leadership of the Company to the new CEO, Mr. Green, and strengthening of the leadership team through key executive officer hires.

As discussed in this Proxy Statement, our one-year performance during 2015 exceeded our targeted levels, and payouts under the AIP accordingly were greater than 100% of target. Additionally, our three-year performance was outstanding when measured by CAGR and ROIC. Therefore, payouts under our long-term incentive plan were higher. Both our annual and long-term TSR performance exceeded the average performance of our peer group and the S&P 500. Our one-year TSR performance exceeded the 69th percentile and our three-year performance exceeded the 94th percentile among our peers.

2015 Committee Actions

The Committee regularly evaluates the design and performance of our executive compensation programs to ensure they are operating as intended and consistent with relevant benchmarks and market practices. The

Committee also reviews its compensation philosophy each year. As a result of these evaluations and reviews, the Committee took the following actions in 2015:

Action	Rationale
Pay-for-Performance Review Conducted a formal pay-for-performance review of CEO compensation versus Business Segment Comparator Groups consistent with analyses done by third-party shareholder advisory services.	Provides a complete view of the alignment of compensation and company performance versus our peers and the market.
Realizable Pay Analysis Conducted a realizable pay analysis, which assesses whether Company performance and CEO realizable pay are aligned over a given period of time.	
Performance Goal Difficulty Analysis Conducted an analysis regarding the difficulty of achievement of performance goals established under the AIP and LTIP.	Provides the Committee with perspective regarding the difficulty of attaining established performance goals, the rigor of the process establishing those goals and the motivational aspects of those awards.
Comparator Groups Reviewed the criteria for selecting members of the Business Segment and Broad Talent Comparator Groups and made no changes.	Ensures robust comparative compensation data for officer positions where there is sufficient data. If data is insufficient or inconclusive, the Broad Talent Comparator group is used.

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Benchmarked and Established Compensation for our incoming Officers Reviewed the compensation paid to Chief Executive Officer, General Counsel and Chief Human Resources Officer of our comparator groups.	Attracts and retains qualified executive officers to ensure the continued outstanding performance of the Company.
Provided Transition Awards to our Outgoing Chief Executive Officer We provided a long-term incentive award and other remuneration to our outgoing CEO.	Ensured the smooth transition from Dr. Morel to Mr. Green and provided consideration for Dr. Morel remaining with the Company longer than he had originally anticipated to assist with leadership transition.

Executive Compensation Elements

The following chart summarizes the key features of each element of our executive compensation program: Cash (salary and annual bonus); equity (long-term incentive); retirement (Retirement Plan, Supplemental Employee Retirement Plan (SERP), 401(k) Plan, and Nonqualified

Deferred Compensation Plan); and other compensation (perquisites). Each type is discussed in detail in the remainder of this Compensation Discussion and Analysis, and the accompanying tables.

Element	Type	Key Features
Cash	Salary	• Fixed amount of compensation based on experience, contribution and responsibilities. • Salaries reviewed annually and adjusted based on market practice, individual performance and contribution, length of service and other internal factors.
	Retention Cash (for CEO)	• Attracts and retains top-level talent for our senior-most positions. • Replaces cash compensation foregone from prior employer, facilitating our ability to attract key leadership. • Paid to Mr. Green after six months of employment.
	Annual Incentive Plan	• Performance-based cash awards based on adjusted diluted EPS and adjusted operating cash flow, calculated at budgeted exchange rates and adjusted for unusual or non-recurring items. See Financial Results for AIP Purposes on page 33. • Annual awards vary from 0% to 150% of the targeted amount.

Long-Term Incentive Compensation (100% Equity)	Annual PVSU grant (50% of normal annual grant value)	• PVSUs are settled three years from the grant date based on performance over a three-year period. • DEUs are accumulated on PVSUs during the vesting period. • Both PVSUs and DEUs are paid in shares of West common stock and only upon vesting. • The number of shares (inclusive of DEUs) that may be earned over the performance period is based on achievement against target of two equally weighted measures CAGR and ROIC and ranges from 0% to 200% of the target award. See Our Long-Term Equity Incentive Program, beginning on page 35.
	Annual Non-qualified stock option grant (50% of typical annual grant value)	• Annual awards vest in four equal annual installments and expire 10 years from the grant date.
	Time-Vesting Restricted Stock and Retention Options	• Special retention option and restricted stock award granted to Mr. Green upon his start date vests 42.9% (i.e., $1.5 million of the $3.5 million of total grant date fair value) on the third anniversary of his start date and 57.1% (i.e., $2.0 million of the $3.5 million of total value) on the fifth anniversary of his start date. • Restricted stock vests 100% after 4 years for Mr. Miller. • Attracts talented executives who are foregoing compensation from prior employer. • Provides a retention tool for new executives, provides an immediate ownership stake in the Company and alignment with shareholders through an incentive to increase the stock value.
Retirement	Retirement Plan	• Provides retirement income for eligible participants based on years of service and highest average earnings up to tax code limits.
	SERP	• Provides retirement income, on a non-qualified basis, in excess of U.S. Internal Revenue Code (Code) limits on the same basis as the Retirement Plan.

401(k) Plan	• Qualified 401(k) plan that provides participants the opportunity to defer taxation on a portion of their income, up to Code limits, and receive a matching Company contribution.
Nonqualified Deferred Compensation Plan	• Extends, on a non-qualified basis, the 401(k) plan deferrals in excess of Code limits on the same terms.

Summary of Key 2015 Compensation Decisions

The Committee reviewed our pay practices, including benchmarking our process and concluded to not make any significant changes to our compensation structure in light of the strong linkage between pay-for-performance and the Company s positioning relative to its peers.

The following highlights the Committee s key NEO compensation decisions for 2015, as reported in the Summary Compensation Table on page 45. The decisions were made after considering input from the Committee s independent compensation consultant, Pay Governance.

Incoming CEO Compensation

During April 2015, the ad hoc Succession Planning Committee, on behalf of the Board, authorized the Compensation Committee and its counsel to negotiate a compensation package for Mr. Green as the new CEO of the Company. After benchmarking appropriate compensation levels and standard terms and conditions for a CEO against our Business Segment and Broad Talent Comparator Groups, and taking into account the amount of compensation Mr. Green would forfeit at his former employer if he were to voluntarily resign that position to join West, the Compensation Committee approved the following material terms and conditions:

- Three-year employment agreement, with a two-year term renewal and successive one-year renewal;
- $700,000 base salary;
- 100% AIP target;
- An LTIP award for the 2015-17 performance period with a grant date fair value of $1,700,000 and a partial-cycle LTIP award

date fair value) on the third anniversary of his start date and 57.1% (i.e., $2.0 million of the $3.5 million of total value) on the fifth anniversary of his start date;

- The Company s standard change-in-control (CIC) arrangement that provides in the event of Mr. Green s termination following a CIC (i.e., a double-trigger), he will receive the following benefits: a severance amount equal to two times salary plus average bonus, vesting of all equity, and a cutback of benefits if the benefits would exceed the excise tax threshold under the Internal Revenue Code and the cutback would be more advantageous on an after-tax basis to Mr. Green (i.e., a modified cutback); and, for the 2014-16 performance period with a grant date fair value of $1,150,000;

- A sign-on retention award of $500,000 cash payable after six months and an equity grant of $3,500,000 equally split between options and restricted stock that vests 42.9% (i.e., $1.5 million of the $3.5 million of total grant

- Twelve-month non-compete and non-solicitation requirements.

The approved compensation package targeted Mr. Green s total compensation at approximately the 25th percentile of peer company CEOs for base salary, annual bonus and long-term incentives, which was deemed appropriate at the time given his experience level. Additionally, the Compensation Committee determined it was necessary to provide a significant retention award and signing bonus of cash, restricted stock and options to replace compensation Mr. Green would forfeit upon departure from his previous employer. The Committee also believes these retention/sign-on awards create further alignment with shareholders over an extended period of time (up to five years before fully vesting) by ramping up his stock ownership, locking in his commitment to growing shareholder value and aligning his financial interests with those of the shareholders through stock appreciation.

Compensation of Other NEOs

The Committee approved salaries and set incentive-compensation targets of the other NEOs taking into account the CEO s recommendations, the advice of Pay Governance, comparator group salary data, relative duties and responsibilities, advancement potential and impact on our financial and strategic performance. Consistent with prior years, the Committee provided a modest increase of 3% in annual base salary for Mr. Federici and Mr. Paproski. During 2014, Ms. Flynn was promoted from President, PPS, Americas to President, PPS, and had a 4% increase at that time, and therefore, received only a 2% increase in May 2015. Her base salary was further increased 3.1% to reflect the elimination of her car allowance in August 2015. Mr. Miller was hired on November 19, 2015. The setting of his salary and other compensation elements are discussed below. These increases are in line with the average increases at our comparator groups and broader employee population during 2015, which were approximately 3.5%.

Outgoing CEO Compensation

Dr. Morel announced his intention to retire in October 2014, with the expectation that his retirement would be effective before the 2015 Annual Meeting of Shareholders in May. Based on this expectation, the Compensation Committee determined that it would not provide Dr. Morel with a salary increase nor AIP target adjustment for 2015. Further, the Committee and Board initially decided not to award Dr. Morel a long-term incentive grant for 2015 given his impending retirement. However, as Dr. Morel s retirement approached, the Board believed that his continued involvement with the Company on a consultative basis would be in the long-term best interests of the Company and shareholders. Additionally, the Board and Compensation Committee determined it appropriate to reward Dr. Morel for continued service as Chairman of the Board beyond retirement as CEO, his pre-retirement strategic decisions and smooth transition of his CEO duties to Mr. Green and Chairman duties to Mr. Zenner. Therefore, the Compensation Committee and Board entered into a Retirement Separation Agreement with Dr. Morel, effective June 30, 2015.

The material terms of the Retirement Separation Agreement are as follows:

- Consistent with the Company-wide policy approved in 2014, continued vesting of PVSUs and options that had been granted for prior periods, as if Dr. Morel remained employed
- A 50% payout of his 2015 AIP award, payable at the same time and subject to the same conditions as applies to other corporate NEOs; and

(this affected only his 2012 and 2013 LTIP awards);

- An equity grant with a $2.4 million grant date fair value 50% in PVSUs for the 2015-17 performance period and 50% in options;
- Transfer of his Company automobile to him for one dollar.

In exchange for the above remuneration, Dr. Morel agreed to a six-month consulting engagement in which he would cooperate on any required matters (including litigation) and released the Company of any applicable legal claims and agreed to additional restrictive covenants. The rationale for each element of Dr. Morel s Retirement Separation Agreement payments is set forth in the chart below.

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Element	Value	Rationale
2015 Base Salary	$461,847	• Fixed amount of compensation based on annual salary as CEO and responsibilities as Chairman of the Board through June 30 (his retirement date).
Pro Rata 2015 Annual Incentive Plan Bonus	$537,413	• Actual (above-target) bonus earned only for services as CEO and Chairman of the Board through June 30.
2015 Grant of Stock Options and PVSUs	$2,400,021	• Target equity award opportunity for serving as Chairman of the Board through June 30 and providing consulting services through December 31, 2015. • Granted in consideration of his continuance as Chairman of the Board beyond his original retirement date and agreement to provide consulting services during 2015. • Rewards smooth transition of CEO and Chairman duties. • PVSU amounts only paid if performance achieved and on terms identical to continuing Company management.
Modification of LTIP Awards previously granted	*Permitted continued vesting on same terms as if employed*	• Modifications align retirement provisions with those grants made in 2014 and later, when the Compensation Committee adopted continued vesting for all officers and are consistent with the intent of the original awards.
Company Automobile	$97,496	• Consideration for release, cooperation covenant, continuing past his original retirement date and consulting services after June 30.

Pay Mix

Our compensation philosophy is to put the greatest emphasis on creating long-term shareholder value. Therefore, the largest percentage of an NEO s pay is awarded under our long-term incentive plan (split equally between options and performance shares). Excluding Mr. Green s one-time retention grants, approximately 54.8% of Mr. Green s Total Direct Compensation (TDC), which is the sum of his base salary, short-term incentives and long-term incentives, is based upon long-term value creation, and the remainder of his pay is divided equally among salary and short-term incentives. In addition, 87.5% of Mr. Green s retention grant of $4,000,000 is a long-term incentive made up of options and stock vesting over 5 years. For our other executives, approximately 44.7% of their pay is based upon long-term awards. Consistent with market practices, a larger portion of their pay mix is salary, but it is still less than one-third of their TDC.

2015 Continuing NEO Base Salaries, Annual Incentive Plan Target,

Long-Term Expected Value and Incentive Compensation (1)

Name	Salary as of 1/1/15 or Start Date, if later	Salary as of 12/31/15 (2)	% Increase	AIP Target as % of Salary	Long-Term Grant Date Fair Value	Total Direct Compensation Percentile (3)
Eric M. Green (4)	$700,000	$700,000	N/A	100%	$1,700,000	24%
William J. Federici	488,013	502,653	3.0%	70%	700,000	36%
John E. Paproski	353,656	364,266	3.0%	70%	600,000	65%
Karen A. Flynn	400,000	420,768	2.0%	70%	600,000	44%
George L. Miller (5)	400,000	400,000	N/A	65%	400,000	54%

(1) As Dr. Morel retired effective June 30, 2015 and did not receive an increase in compensation, we have not included him on this table.

(2) All NEO salary increases for incumbents were effective May 2015.

(3) TDC of base salary, annual bonus target and long-term value. Percentages are based on the Business Segment Comparator Group for Mr. Green and Mr. Federici, and the Broad Talent Comparator group for the other NEOs. We also considered the Broad Talent Comparator Group when determining Mr. Federici s compensation as the Business Segment Comparator Group had a few new hires and other extraordinary circumstances that increased pay. Mr. Federici was in the 53rd percentile of the Business Segment Comparator Group.

(4) Mr. Green s compensation is based upon his compensation for the current performance period. He also received an LTIP grant for the previous performance period with a grant date fair value of $1,150,000 and a retention award of cash, stock and options totaling $4,000,000. These special one-time awards were not included in determining his TDC.

(5) Mr. Miller s compensation is based upon his compensation for the current performance period. He also received an LTIP grant for the previous performance period with a grant date fair value of $200,000 and a retention award of restricted stock totaling $400,000. These special one-time awards were not included in determining his TDC.

Our Annual Incentive Compensation Program

Plan Criteria and Rationale

- Metrics should be consistent with market practice and used within our comparator group.

The annual incentives for all AIP participants, including the NEOs, are based on our financial performance as a whole measured by adjusted diluted EPS and adjusted operating cash flow.

AIP payouts for PDS and PPS divisional participants (led by Mr. Paproski and Ms. Flynn, respectively) rely on achieving divisional net sales, operating profit and cash flow targets, adjusted to reflect budget exchange rates.

In 2015, as in past years, the Committee evaluated and decided upon the appropriate AIP financial measures using the following principles:

- Metrics must support achievement of an annual Board-approved operating plan;

- Metrics must support profitable growth while preserving cash for longer-term investment;

- Metrics must provide a clear line of sight i.e., that are clearly understood and can be affected by the performance of our executives and employees; and

Following this review, the Committee concluded that the continued use of the AIP financial measures support the foregoing principles for the following reasons:

- EPS is a comprehensive measure of income and provides an emphasis on profitable growth while focusing managers on expense control.

- Operating cash flow provides a focus on generating cash in the short term to fund operations, research and longer-term capital projects and focuses managers on expense control.

- Divisional cash flow, sales and operating profit provide line of sight for operating managers and encourage cooperation among the various regions and business platforms.

Our AIP targets for NEOs are global, rather than regional, reflecting the growing globalization of our business and the expectations of our customers that the Company acts as a single company. These targets help to foster cooperation among our regions and provide a greater incentive to increase divisional revenue and profit without focusing on the impact on any particular region.

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Target Setting

The target annual incentive awards for our NEOs are set as a percentage of base salary. Target awards are reviewed annually to ensure alignment with our compensation philosophy to target each compensation element and total direct compensation at the market median.

Variances from this goal are based on an evaluation of competitive market data, internal equity considerations among the CEO s direct reports and individual performance evaluations.

For 2015, target annual incentive opportunities for the NEOs ranged from 70% to 100% of their year-end base salary rate. Mr. Miller commenced employment on November 19 with a target bonus set at 65% of his year-end base salary rate. Given that Mr. Miller started after November 15, under the terms of our AIP, he was ineligible to receive a payout for 2015.

The payout curve is structured to reflect our philosophy that management should be rewarded for exceeding goals and with diminished payouts, ultimately to zero, when targets are missed.

The payout factor is a pre-established multiplier that corresponds, on a sliding scale, to the percentage achievement of the AIP target objective so that if actual performance is less than target, the multiplier decreases on a sliding scale based on the percentage achievement.

Thus, for example, at the 85% achievement level, officers would receive 50% of their target award. No payouts would be made if actual financial performance falls below 85% of the target level. If AIP targets are exceeded, the multiplier increases on a sliding scale up to the 150% of target award level for achievement of 115% of the performance target level. Achievement between the threshold and maximum levels is straight-line interpolated.

Financial Results for AIP Purposes

The Committee set the AIP targets based on its evaluation of the 2015 business operating plan and its assessment that the targets contained a sufficient degree of stretch. Our performance level for all metrics, except PDS operating profit, was 97.6% or greater. PDS operating profit, which is weighted 5% for Mr. Paproski only, was at the 71.8% level and no payout resulted from that metric. Therefore, payouts were in the 106.9 to 127.1% range. This demonstrates our link between pay and short-term performance. The higher payouts reflect that superior performance was achieved during 2015.

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2015 AIP Corporate and Division

Performance Metrics, Weight and Achievement

Plan Unit and NEO Participants	Metric Weight	Threshold	Financial Objectives Target	Maximum	*Results*	% of Target
Corporate Unit:						
(Green, Federici, Morel)						
Adjusted Diluted EPS (1)	80%	1.60	1.88	2.16	***2.02***	107.4
Adj. Operating Cash Flow (2)	20%	186.6	219.5	252.4	***243.6***	111.0
Packaging Systems Unit:						
(Flynn)						
Adjusted Diluted EPS (1)	40%	1.60	1.88	2.16	***2.02***	107.4
Division Metrics (60% of total)						
Adjusted Net Sales (3)	15%	901.0	1,060.0	1,219.0	***1,074.5***	101.4
Adjusted Operating Profit (3)	30%	199.2	234.4	269.6	***253.2***	108.0
Adjusted Divisional Cash Flow (3)	15%	241.8	284.5	327.2	***304.6***	107.1
Delivery Systems Unit:						
(Paproski)						
Adjusted Diluted EPS (1)	40%	1.60	1.88	2.16	***2.02***	107.4
Division Metrics (60% of total)						
Adjusted Net Sales (3)	5%	358.5	421.8	485.1	***411.8***	97.6
Adjusted Operating Profit (3)	5%	16.5	19.4	22.3	***13.9***	71.8
Innovation Milestones (4)	50%					104.8

(1) Adjusted diluted EPS for annual incentive purposes is based on budgeted foreign exchange rates and excludes restructuring and certain non-recurring items. Therefore, they differ from the comparable U.S. GAAP measures. See Financial Measures for a reconciliation of U.S. GAAP diluted EPS to adjusted diluted EPS for annual incentive purposes.

(2) Adjusted operating cash flow for annual incentive purposes is based on budgeted foreign exchange rates and excludes certain non-recurring items. See Financial Measures for a reconciliation of U.S. GAAP operating cash flow to adjusted operating cash flow.

(3) Divisional adjusted net sales and adjusted operating profit are based on budgeted foreign exchange rates. See Financial Measures for a reconciliation of the comparable U.S. GAAP financial measures to the adjusted divisional financial measures for annual incentive purposes.

(4) A portion of Mr. Paproski s AIP payout is based upon the achievement of certain innovation product development milestones, which are reviewed and approved by senior management. The Board and its Committees also reviewed and approved the achievement for these milestones.

2015 AIP Threshold, Target, Maximum and Actual Payouts and Achievement

Name (1)	2015 Target Award (% of Base Salary)	2015 Threshold Award (50% of Target Award) ($)	2015 Target Award (100% of Target Award) ($)	2015 Maximum Award (150% of Target Award) ($)	*2015 Actual Award ($)*	Actual Achievement % of Target
Eric M. Green (2)	100.0%	241,500	483,000	724,500	***614,259***	127.1%
William J. Federici	70.0%	175,929	351,857	527,786	***447,210***	127.1%
John E. Paproski	70.0%	127,493	254,986	382,479	***272,580***	106.9%
Karen A. Flynn	70.0%	147,269	294,538	441,807	***359,630***	122.1%
Donald E. Morel, Jr. (3)	100.0%	211,413	422,827	634,240	***537,413***	127.1%

(1) Mr. Miller did not receive an AIP award for 2015 due to his start date being after November 15, 2015, the Plan s cut-off date for eligibility.

(2) Mr. Green s AIP payout is prorated at 69% based on his start date. All calculations take this proration into consideration.

(3) As a result of his retirement effective June 30, 2015, Dr. Morel will receive 50% of his AIP payout. All calculations take this pro ration into consideration.

Our Long-Term Equity Incentive Program

Plan Criteria and Rationale

Long-term compensation for all our executives, including our NEOs, is entirely equity based. Our long-term awards are structured to align our executives interests with those of our shareholders and to emphasize the Committee s expectation that our executive officers should focus their efforts on growing our business while carefully managing capital.

To help further these objectives, we use Compound Annual Growth in Revenue and Return on Invested Capital as the performance measures for determining PVSU payouts. Each

metric is weighted equally because we believe CAGR and ROIC are equally important in creating shareholder value.

The use of stock options is intended to align our executives longer-term interests with those of our shareholders because options gain value to the executive only when and to the extent that share price exceeds the exercise price of the option. Therefore, options provide a strong performance-based link between shareholder value and executive pay.

Performance-Vesting Share Units

The number of shares that may be earned under the PVSUs is based on achievement of CAGR and ROIC targets. Each PVSU award agreement contains a target payout for the recipient. The number of shares an executive earns at the end of a performance period is calculated by multiplying the target number of PVSUs awarded at the beginning of the period times the applicable payout factor for each performance metric times the weighting for that performance metric.

Target PVSUs (i.e., number of shares to be earned if performance equals 100% target)	x	Payout Factor (based on achievement against CAGR and ROIC targets)	x	Weighting (50% for each metric)	=	Number of Shares Earned

2015 Long-Term Equity Awards

In 2015, long-term incentive plan participants, including our NEOs, received a grant of PVSUs and a grant of non-qualified stock options. The total expected grant value was divided equally between the two forms of awards. Expected grant value is the target opportunity valued as the accounting fair value. Actual or realized value of these awards in future years can and will vary from this target opportunity based on share price, ROIC and CAGR performance over time.

The total award value of each NEO was targeted to the market median as represented by comparator group data, as well as relative duties and responsibilities, advancement potential, and each NEO s impact on our financial results.

Additionally, during 2015, each of our two newly-hired NEOs, Mr. Green and Mr. Miller,

received an additional pro rata LTIP award of PVSUs and stock option grants. Each partial cycle award is based on the 2014-2016 performance period, was targeted at approximately 67% of the value of the awards for the full performance period and will vest in accordance with the performance conditions set at the time of the original award in 2014.

Therefore, the options granted were immediately 25% vested and vesting continues in accordance with the schedule applicable to all participants who were employed during 2014. These awards were made to ensure both Mr. Green and Mr. Miller are incentivized to achieve the goals set forth for that particular performance period, the achievement of which, in the reasonable discretion of the Committee, will add significant shareholder value. The PVSUs granted are measured based upon the CAGR and ROIC performance goals and targets approved for the 2014-2016 performance period, which were

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identical to the 2015-2017 performance period. The option exercise price and Black-Scholes value were established as of the NEO s start date for options. In accordance with our grant document and policies, no discounted options were awarded.

The grant values are shown in the following table. The 2014-16 and 2015-17 PVSU threshold, target and maximum CAGR and ROIC goals follow.

2015 Long-Term Equity Award Fair Value at Time of Grant

Name	PVSUs (1) 2014-2016 Performance Period ($)	Stock Options Vesting thru February 2018 (1) ($)	PVSUs (1) 2015-2017 Performance Period ($)	Stock Options Vesting thru February 2019 (2) ($)	Total Award Value ($)
Eric M. Green	574,948	575,057	849,570	850,000	2,849,575
William J. Federici	N/A	N/A	350,015	350,006	700,021
John E. Paproski	N/A	N/A	299,990	299,994	599,984
Karen A. Flynn	N/A	N/A	299,990	299,994	599,984
George L. Miller	100,054	99,979	199,983	200,009	600,025
Donald E. Morel, Jr.	N/A	N/A	1,199,991	1,200,030	2,400,021

(1) The grant date fair value of PVSUs is based on a grant date fair value of $54.14 per share on February 23, 2015 with respect to Mr. Federici, Mr. Paproski and Ms. Flynn, $57.38 on April 24, 2015 with respect to Mr. Green, $58.08 on June 30, 2015 with respect to Dr. Morel, and $62.30 per share on November 19, 2015 with respect to Mr. Miller. For the assumptions made in determining grant date fair values, refer to Note 12 to the consolidated financial statements included in our 2015 Form 10-K.

(2) The grant date fair value of options is based on a grant date fair value of $10.19 per share on February 23, 2015 with respect to Mr. Federici, Mr. Paproski and Ms. Flynn s normal annual award, $10.65 on April 24, 2015 with respect to Mr. Green, $11.63 on June 30, 2015 with respect to Dr. Morel, $10.70 on October 20, 2015 with respect to Ms. Flynn s special award, and $12.72 per share on November 19, 2015 with respect to Mr. Miller. For the assumptions made in determining grant date fair values, refer to Note 12 to the consolidated financial statements included in our 2015 Form 10-K.

2014 2016 and 2015-17 Performance Period PVSU Goals

PVSU Award Performance Goals

Metric	Threshold	Target	Maximum
ROIC	7.70%	11.00%	16.50%
CAGR	5.53%	7.90%	11.85%

New Hire Awards

Mr. Green. Mr. Green received a $4,000,000 cash and equity award upon his commencement of employment in April 2015 to entice him to join West, to replace a portion of the compensation that he forfeited upon termination from his prior employer, provide immediate alignment with West shareholders through a significant equity stake and serve to retain Mr. Green at West. The award included $500,000 in cash that was paid on the six-month anniversary of his start date (October 2015). The remaining $3,500,000 in value was delivered 50% in restricted stock and 50% in stock options. $2,000,000 of the stock and option award value vests on the third anniversary of his start date and the remaining $1,500,000 vests on the fifth anniversary of his employment start date. To

benefit from those awards, Mr. Green must be employed on the vesting date, have been terminated without cause or must have terminated with good reason each as defined in his employment agreement. If Mr. Green is terminated without cause, terminates for good reason, dies or becomes disabled, his awards will vest immediately. The cash and equity components were awarded to Mr. Green primarily to replace unvested equity awards and cash severance awards that he forfeited when leaving his former employer, Sigma-Aldrich, which was undergoing a change-in-control. All equity would have vested upon the completion of that change in control and Mr. Green left equal or greater amounts of cash and equity behind due to his departure prior to its completion. The

Committee determined it was in the best interests of West to have Mr. Green start employment before our 2015 Annual Meeting, and, therefore, did not want to wait for the sale transaction at Sigma-Aldrich to close.

In determining the value and form of these awards, the Compensation Committee considered and discussed standard practices together with Pay Governance.

Mr. Miller. Mr. Miller was granted a $400,000 restricted stock award. This award vests 100% on the fourth anniversary of his start date on the same terms and conditions as apply to Mr. Green s new hire grants. As with Mr. Green, Mr. Miller s award was made to entice him to join West to provide immediate alignment with West shareholders through a significant equity stake and to serve to retain Mr. Miller at West.

Equity Award Grant Practices

Under the Committee s equity-based awards policy and procedures, equity awards normally are made once per year at the Committee s meeting in February. The Company s policy on equity grants contains rules on determining (1) the grant date of equity awards (at least two business days following the release of our annual results for the preceding fiscal year) and (2) the exercise price of stock options granted by the Committee (which must be at least equal to the fair market value of our stock on the grant date).

The policy also delegates authority to a management committee to make a limited number of grants to management below the officer level in connection with the hiring or promotion of employees or for retention purposes, which may occur throughout the year.

During 2015, after benchmarking similar practices at the Company s Comparator Groups, the Committee did not change the expected LTIP values for any continuing executives. Newly-hired executives were benchmarked against the Company s Comparator Groups at the time of hire and are discussed below. Expected values are the targeted accounting grant date fair value, but actual payouts will vary with ROIC and CAGR performance as well as share price. We also discuss the awards to Dr. Morel in more detail below.

Mr. Green. The Committee concluded that the appropriate value of equity to be granted to Mr. Green in his first year with the Company, based on his experience level and market practices, was $1,700,000. Mr. Green s pay mix is similar to

that of Dr. Morel, but the expected value is less than Dr. Morel s, to reflect Mr. Green s fewer years of experience and the fact that he is also not Chairman of the Board. As noted above, Mr. Green was given an additional award for the 2014-16 performance period that was approximately 67% of his 2015-17 award. This award was granted to ensure Mr. Green s commitment to carrying out the important financial goals established by the Company before 2015, but not completed until 2016, and also, to provide additional stock ownership to increase his alignment with shareholders during the performance period.

Mr. Miller. The Committee concluded the appropriate value for Mr. Miller in his first year with the Company and based on his significant years of experience and his additional duties as General Counsel, Compliance Officer and Corporate Secretary as well as having responsibility for environmental, health and safety and corporate citizenship, is an expected value of $600,000. As with Mr. Green, and based on the same rationale, Mr. Miller received an award for the 2014-2016 performance period equal to approximately 67% of the value of his award for the 2015-17 period.

Dr. Morel. In connection with the Retirement Separation Agreement entered into with Dr. Morel, the Committee granted him an LTIP award with an expected value of $2,400,000, which is consistent with those he received in prior years. The Retirement Separation Agreement and rationale for the award is discussed on page 30.

2015 Performance Share Award Payouts

The following tables show the performance against targets for the three-year PVSU performance period ending December 31, 2015, and the actual award values for each eligible NEO. Mr. Green and Mr. Miller were not eligible for 2013-15 PVSU awards and, therefore, did not receive a payout. During the three-year period from 2013-2015, our performance as measured by CAGR and ROIC

significantly exceeded our targets and the performance of many of our peer groups, and the S&P 500 when measured by TSR. Accordingly, the payouts under our long-term plan are higher than target. Participants in the long-term plan have shared in the appreciation of our stock price to the same extent as our shareholders over the period.

2013 2015 PVSU Performance Period

Performance/Payout Results

Metric	Threshold	Target	Maximum	Result	Performance as% of Target	Payout Factor	Weighting	Payout as% of Target
ROIC	6.30	9.00	13.50	10.36	115.11	130.22	50%	65.11%
CAGR	4.55	6.50	9.75	6.15	94.62	90.98	50%	45.49%
							Final Payout Result as a% of Target:	**110.60%**

2013 2015 PVSU Performance Period

Award Payouts

Name	Target Award at Grant (1) (#)	Target Award Value at Grant (1) ($)	Actual Award Shares (2) (#)	Actual Award Value at $59.64 (3) Per Share ($)
William J. Federici	11,742	349,966	13,374	797,625
John E. Paproski	10,012	299,999	11,374	678,345
Karen A. Flynn	5,076	150,021	5,767	343,944
Donald E. Morel, Jr. (4)	40,602	1,199,992	46,127	2,751,014

(1) Target award is based on achievement of 100% of performance metrics and target value is calculated by multiplying the target award by the closing price of our common stock on the award grant date. Mr. Federici and Mr. Paproski received two awards in 2013 one on February 19, 2013 when the split-adjusted fair market value was $29.56 per share and another on March 26, 2013, when the split-adjusted fair market value was $32.19.

(2) Includes shares credited due to dividend equivalent units.

(3) The closing price of our common stock on February 23, 2016, the award payout date.

(4) Dr. Morel received a payout of his 2013-15 award in accordance with the terms of his Retirement Separation Agreement.

Special Grant to Ms. Flynn

During 2015, the Company engaged in a robust enterprise strategic planning process to assess our strategies over the next five years and beyond. A team was selected from various business units and levels of the organization. These individuals spent more than three months creating a recommendation for an enhanced strategic plan in addition to their normal duties. Each member of the team received an option grant upon approval of the Board of the new enterprise strategic plan to reward them for their efforts, and provide greater incentives to them to be champions of the revised enterprise

strategic plan, which is intended to drive long-term shareholder value. Mr. Green appointed Ms. Flynn to lead this team. In recognition of her extraordinary efforts as the team leader, the Compensation Committee approved a one-time additional equity grant of 2,500 options on October 20, 2015, with an exercise price of $55.42, vesting 25% per year and having a 10-year expiration term. The expected value of this award is $26,750, based on the Black-Scholes value of $10.70 per share on the grant date.

Part 2 Compensation Framework

Compensation Philosophy and Objectives

Our compensation philosophy is to provide competitive executive pay opportunities tied to our short-term and long-term success. This overriding pay-for-performance approach enables us to attract, motivate and retain the type of executive leadership that will help us achieve our strategic objectives and realize increased shareholder value. To reach these goals, we have adopted the following program objectives:

- Have a strong pay-for-performance element with a major portion of executive pay at risk based on achievement of financial performance goals.

- Support achievement of both operating performance and strategic objectives.

- Link management compensation with the interests of shareholders.

- Be fair and market-competitive to assure access to needed talent and encourage retention.

- Provide compensation opportunities that are consistent with each executive s responsibilities, experience and performance.

- Design compensation incentive programs that promote a sensible risk/reward balance, and that do not encourage unnecessary or unreasonable risk-taking.

- Use perquisites sparingly, which has led to the reduction of available perquisites over time, including the phase out, beginning in 2014, of automobile allowances.

Applying our Compensation Philosophy

We apply our compensation philosophy and objectives as follows:

Compensation Component	Objectives
Base Salary	Fair and competitive compensation to attract, retain and reward executive officers by providing a fixed level of cash compensation tied to experience, skills and capability relative to the market.
Annual Incentive Award	At-risk cash bonuses focus NEOs on annual results by rewarding them for achieving key budgeted financial targets. Links interests of NEOs with those of shareholders by promoting strong profitable growth. Helps retain NEOs by providing market-competitive compensation.

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Compensation Component	Objectives
Long-Term Incentive Award (PVSUs and Stock Options)	At-risk long-term compensation aligns interests of NEOs with those of shareholders by linking compensation with long-term corporate performance that benefits our shareholders. Retains NEOs through multi-year PVSU performance period and stock option vesting. Promotes a sensible balance of risk and reward, without encouraging unnecessary or unreasonable risk-taking.
Retention Awards (Restricted Stock, Stock Options and Cash)	Attracts talented executives who forgo compensation from prior employer. Provides a retention tool for new and ongoing executives and incentive to increase the value of our stock.
Retirement Plan and Non-Qualified Deferred Compensation Plan	Attracts and retains NEOs by providing a level of retirement income and retirement savings in a tax-efficient manner.

Competitive Positioning

In support of our compensation philosophy, we target the median compensation values of two groups a Business Segment Comparator Group and a Broad Talent Comparator Group. The Business Segment Comparator Group is composed of companies with operational and customer characteristics similar to our own. The Broad Talent Comparator Group is a size-appropriate sample of companies that participate in the Towers Watson annual executive compensation database with annual revenues between $500 million and $3 billion and that operate in the chemicals, electronics and scientific equipment, healthcare/medical products, industrial manufacturing or pharmaceuticals industries.

The Business Segment Comparator Group is used primarily to determine competitive pay practices and design details as well as pay-for-performance comparisons for our CEO and CFO because data is available from SEC filings each year. If data for other positions is available, we would also use this group to benchmark compensation.

The companies in the Business Segment Comparator Group are identified by Pay Governance and approved by the Committee based on the following criteria: (1) size (approximately one-half to two times our annual revenues); (2) industry (healthcare equipment/supplies, industrial machinery and life sciences tools/services); and (3) operating structure (global footprint, manufacturing

capabilities, raw materials and products, similar intellectual property profile and customer characteristics).

The Broad Talent Comparator Group provides us with an additional consistent set of market data for all of our executive positions, representing a sample of companies with which we broadly compete for talent. It is a secondary comparator group for our CEO and CFO and a primary comparator group for our other officer positions. The companies in the Broad Talent Comparator Group can change each year based on survey participation; however, no changes to the parameters used to select the group were required in 2015.

Given our size and business portfolio, it is challenging to identify a robust sample of appropriate market compensation peers that fit conventional criteria; there is no company that matches ours completely. We believe that using a balance of market references that reflect companies with which we compete for business and capital, and more broadly, those with which we compete for talent, provides the Committee with decision-quality data and context, and is a reasonable representation of our labor market for executive talent.

The Committee annually evaluates and, if appropriate, updates the composition of the both comparator groups. In 2015, the Committee evaluated potential additions to both groups and determined no changes were necessary.

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The Business Segment and Broad Talent Comparator Groups used in 2015 consisted of the following companies:

2015 Business Segment Comparator Group

Aptar Group, Inc.	DENTSPLY International Inc.	Haemonetics Corporation	ResMed Inc.
CONMED Corporation	Edwards Lifesciences Corp.	IDEXX Laboratories, Inc.	Steris Corp.
The Cooper Companies Inc.	Gerresheimer AG	Invacare Corporation	Varian Medical Systems
C.R. Bard	Greatbatch, Inc.	Pall Corporation	

2015 Broad Talent Comparator Group

A.O. Smith Corporation	Dematic Corporation	Knowles Corporation	Purdue Pharma L.P.
Accelent Inc.	DENTSPLY International	Lincoln Electric Holdings, Inc.	Quaker Chemical Corporation
Advanced Drainage Systems Inc.	Donaldson Company, Inc.	Makino Milling Machine Co. Ltd.	Regeneron Pharmaceuticals Inc.
Alexion Pharmaceuticals, Inc.	Edwards Lifesciences Corp.	Mallinckrodt Pharmaceuticals	Savannah River Nuclear Solutions
Americas Styrenics LLC	Endo International	Matthews International Corp.	Sensata Technologies, Inc.
Amneal Pharmaceutical LLC	ESCO Corporation	Milacron Holding Corp.	ShawCor Ltd.
Arctic Cat Inc.	GAF Materials Corporation	MTS Systems Corporation	Sigma-Aldrich Corporation
BioMarin Pharmaceutical Inc.	Graco Inc.	NuVasive, Inc.	Tennant Company
Calgon Carbon Corporation	Greatbatch Inc.	OM Group Inc.	TimkenSteel Corp
Capsugel	H. B. Fuller Co.	Oxford Instruments America Inc.	Toro Company
Catalent Inc.	Icon plc	Pall Corporation	TPC Group Inc.
Chemtura Corporation	IDEXX Laboratories, Inc.	Platform Specialty Products	Vertex Pharmaceuticals Inc.
Chiesi Pharmaceuticals Inc.	International Flavors & Fragrances, Inc.	Plexus Corp.	Worthington Industries, Inc.
Covance, Inc.	Kennametal Inc.	Polymer Group Inc.	

Setting Targets and Performance Goals

The Committee annually reviews the total compensation of each executive officer i.e., cash compensation (salary and target annual incentive opportunity) and long-term equity compensation (target long-term equity value).

The Committee, with input from its independent compensation consultant, then sets the executive s compensation target for the current year. Adjustments may be made to short- or long-term incentive award opportunities. Salary adjustments, if any, typically become effective in April or May of each year or upon a promotion. The compensation decision for the CEO is reviewed with and ratified by the independent directors in executive session.

In making its decisions, the Committee uses several resources and tools, including competitive market information, compensation trends within the comparator groups and the larger executive compensation environment.

The Committee also reviews tally sheets for each of our executive officers as one of the tools to help assess the alignment of their pay with our performance and compensation philosophy. The

tally sheets include salary, equity and non-equity incentive compensation, perquisites and the value of compensation that would be paid in various termination scenarios. The tally sheets help the Committee understand the different components of our compensation programs and the interrelationship of these amounts.

For 2015, the Committee set target levels for the financial objectives used in the AIP and for PVSU awards and concluded that there was an appropriate correlation between payout (at target, threshold and maximum) and target levels in light of the business environment, risks associated with achieving our five-year strategic plan and other factors.

During 2015, the Committee again conducted a retrospective look at the difficultly of attaining the performance goals established under the long-term and short-term incentive plans. This analysis concluded that the goals were very challenging versus our Business Segment Comparator Group and the historic payouts demonstrated a robust qualitative goal-setting process, which has resulted in a strong pay-for-performance link.

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Realizable Pay Analysis

The Committee works with Pay Governance LLC to look at realizable pay granted to the CEO. Realizable pay is calculated using actual bonuses earned, end of period stock values and in-the-money value of stock options granted during the year. It takes a retrospective look at pay versus performance. The analysis showed that there was a high correlation between the

realizable pay earned by our CEO and the Company s performance as measured by TSR, CAGR, ROIC and similar financial metrics compared to other members in our Business Segment Comparator Group. The Committee determined this analysis confirmed its pay-for-performance philosophy.

Evaluating Individual Performance

The Committee uses its judgment in making decisions about individual compensation elements and total compensation for our NEOs, with a focus on individual performance and

competitive market data. The Committee also considers each NEO s performance against his or her individual performance objectives, as well as the Company s overall financial performance.

Post-Employment Compensation Arrangements

Retirement Plans

During 2015, all NEOs participated in our defined benefit and defined contribution retirement programs for U.S.-based employees. In addition to the standard benefits available to all eligible U.S.-based employees, we maintain non-qualified retirement plans in which these executives participate.

All tax-qualified defined benefit plans have a maximum compensation limit and a maximum annual benefit, which limits the benefit to participants whose compensation exceeds these limits. The non-qualified retirement plans offered by the Company provide benefits to key salaried employees, including each NEO, using the same benefit formulas as the tax-qualified plans but without regard to the compensation limits and maximum benefit accruals for tax-qualified plans.

Termination Payments

We also provide our NEOs with benefits upon termination in various circumstances, as described under Estimated Payments Following Termination and Payments on Termination in Connection With a Change-in-Control sections below.

We believe that our existing arrangements help executives remain focused on our business in the event of a threat or occurrence of a change-in-control and encourage them to act in the best interests of the shareholders in assessing and implementing a transaction.

Beginning with agreements entered into after 2010, the Company eliminated excise tax gross-ups and single-triggers under these types of agreements. Therefore, change-in-control agreements with Mr. Green, Ms. Flynn, Mr. Paproski, and Mr. Miller do not include these features. Only Mr. Federici s pre-2010 agreement includes an excise tax gross-up.

***Certain Payments to Dr. Morel*.** In June 2015, we agreed to make certain payments and awards to Dr. Morel in exchange for: (1) service as Chairman of the Board following his retirement as CEO, (2) continued consulting services for the 6-month period following termination as Chairman of the Board, (3) an agreement to cooperate with the Company following termination, (4) a release of claims against the Company, and (5) a non-disparagement provision. Dr. Morel was previously subject to two-year non-competition and non-solicitation covenants.

The amounts of these payments are described in the Compensation Tables section of this Proxy Statement and the rationale is discussed in more depth above. The Company believes that securing these agreements from Dr. Morel was critical to the ability of the Company to focus on future growth of the Company. The transition services provided by Dr. Morel to Mr. Green

ensured a smooth transition in leadership and enabled the Company to continue to grow shareholder value. The covenants contained in this agreement also protect the Company from the prospects of potentially costly litigation and secure future cooperation in the event it is needed.

Additionally, the Company provided one-time, nominal in-kind personal retirement benefits to

Dr. Morel in recognition of his extraordinary contributions to the Company, outstanding 22-years of service, including his tenure as Chief Executive Officer and Chairman of the Board, whereby shareholder value and market capitalization increased by approximately ten times and net sales increased over 300%. These personal benefits are disclosed in the Compensation Tables section of this Proxy Statement.

Other Compensation Policies

Share-Ownership Requirements

Share-ownership goals further align an executive s interests with those of our shareholders and encourage a long-term focus. Within five years of attaining their position, all executive officers must acquire shares of common stock with a value equal to designated multiples of their base salary. The Committee established a goal of six-times base salary for the CEO and two-times base salary for all other executive officers.

Until the goals are reached, executives are required to receive 25% of their annual bonus in shares. All NEOs currently meet or exceed the stock ownership guidelines except Mr. Green and Mr. Miller. Mr. Green and Mr. Miller still have four more years to reach the required minimum holding requirement. In the interim, at least 25% of their bonuses will be paid in stock.

We have benchmarked our share ownership requirements against the companies in our Business Segment Comparator Group. Our requirements are generally at least as robust as those of our peers.

Policy on Hedging and Pledging

We prohibit directors, officers and employees from engaging in hedging or monetization transactions, such as zero-cost collars and forward sale contracts, that would allow them to continue to own our common stock, but without the full risks and rewards of ownership. We also prohibit directors, NEOs and other senior employees from engaging in pledging, short sales or other short-position transactions in our common stock.

Personal Benefits

The benefits provided to our NEOs are generally the same as or consistent with those provided to our other salaried employees. We believe these benefits are reasonable and competitive so that we may attract and retain talented employees. In total, these benefits represent a small percentage of each NEO s overall compensation, and the Committee has reduced many of them in recent years. During 2014, the Committee began phasing out the automobile allowance for U.S.-based executives whose leases were expiring. These benefits are reflected in the All Other Compensation column of the 2015 Summary Compensation Table.

Risk Considerations in Our Compensation Programs

The Committee has reviewed our compensation policies and practices for our officers and employees and concluded that any risks arising from these policies and programs are not reasonably likely to have a material adverse effect on the Company. The Committee believes that the mix and design of the

elements of our compensation program are appropriate and encourage executive officers and key employees to strive to achieve goals that benefit the Company and our shareholders over the long term.

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Our compensation policies and procedures are applied uniformly to all eligible participants. By targeting both company-wide and business-unit performance goals in our annual bonus plans and long-term compensation, we believe we have allocated our compensation between base salary and

short- and long-term target opportunities in a way that does not encourage excessive risk-taking by our employees.

Role of the Compensation Consultant and Executives in Setting Compensation

The Committee approves all compensation decisions for our NEOs, including CEO compensation which decision is made after the Committee consults with the independent directors in executive session.

The Committee has engaged Pay Governance LLC as its independent consultant to assist the Committee in evaluating our executive compensation.

During 2015, the consultant performed the following tasks for the Committee:

- Prepared competitive market data for the compensation of the executive officer group;
- Prepared analysis of existing compensation and recommendations related to the compensation to be paid to executive officers hired in 2015;
- Updated the Committee on executive compensation trends and regulatory developments;
- Prepared a realizable pay analysis for the CEO;
- Provided input on the Committee s executive officer pay recommendations;
- Provided input on compensation program design and philosophy, incentive-pay mix and comparator groups against which executive pay is benchmarked; and
- Prepared market data regarding vesting of equity upon retirement of executives.

The consultant provides no services to us other than its advice to the Compensation Committee on executive compensation matters and to our Nominating and Corporate Governance Committee on director compensation matters. The Compensation Committee determined Pay Governance to be independent from the Company under the NYSE and SEC regulations.

Our CEO annually reviews the performance of each executive officer. He then recommends annual merit salary adjustments and any changes in annual or long-term incentive opportunities or payouts for these officers. The Committee considers the CEO s recommendations in addition to data and recommendations presented by Pay Governance.

The CEO and other members of management also work with the Committee and its consultant in determining the companies to be included in the Business Segment Comparator Group.

Impact of Tax and Accounting Treatment

The Compensation Committee selects compensation vehicles based upon those that will create the best link between pay and performance. Generally, the accounting and tax treatments of executive

compensation has not been a factor in the Compensation Committee s decisions regarding the amounts or types of compensation paid.

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Compensation Tables

The following tables, narrative and footnotes discuss the compensation of the NEOs during 2015.

2015 Summary Compensation Table

Name and Principal Position (1) (1)	Year	Salary ($)	Bonus ($)	Stock Awards ($)	Option Awards ($)	Non-Equity Incentive Plan Compensation ($)	Change in Pension Value and Nonqualified Deferred Compensation Earnings (2) ($)	All Other Compensation ($)	Total ($)
Eric M. Green (3) President and Chief Executive Officer	2015	473,846	616,667	3,174,950	3,175,106	614,259	42,927	267,697	8,365,452
William J. Federici Sr. V.P. and Chief Financial Officer	2015	515,483		350,015	350,006	447,210	119,960	24,388	1,807,062
	2014	467,023		349,985	349,998	281,967	241,242	39,949	1,730,164
	2013	457,866		349,966	350,005	419,759	90,474	39,635	1,707,705
Karen A. Flynn Sr. V.P. and Chief Commercial Officer	2015	425,526		312,512	326,744	359,630	19,334	33,191	1,476,937
	2014	345,954		310,043	300,002	214,757	93,798	33,848	1,298,402
John E. Paproski Sr. V.P. and Chief Technology Officer	2015	374,196		299,990	299,994	272,580	112,865	30,706	1,390,331
	2014	350,339		299,994	300,004	234,191	336,873	93,137	1,614,538
	2013	339,926		299,999	300,005	286,322	55,201	45,710	1,327,163
George L. Miller (3) Sr. V.P., General Counsel and Corporate Secretary	2015	41,538	66,667	700,065	299,988		2,769	13,403	1,124,430
Donald E. Morel, Jr. (3) Former Chairman and Chief Executive Officer	2015	461,857		1,199,991	1,200,030	537,413	965,793	242,107	4,607,191
	2014	837,721		1,200,022	1,199,996	723,880	832,608	95,756	4,889,983
	2013	825,028		1,199,992	1,200,005	1,072,371	93,375	122,645	4,513,416

(1) During 2015, Ms. Flynn was the President, Pharmaceutical Packaging Systems and Mr. Paproski was the President, Pharmaceutical Delivery Systems. As announced on January 12, 2016, West will no longer operate two separate units for its Packaging and Delivery Systems businesses. West established global Commercial, Operations and Innovation & Technology organizations. In connection with these changes, Ms. Flynn and Mr. Paproski were given the principal positions listed in this Summary Compensation Table.

(2) These amounts are an estimate of the increase in actuarial present value of our NEOs age-65 accrued benefit under our retirement plans for 2015. Amounts are payable only when a participant s employment terminates, and may be reduced if benefits are commenced prior to retirement. Assumptions underlying the estimates are described under the 2015 Pension Benefits Table. Additionally, for Dr. Morel, this amount includes distributions under our retirement plans.

(3) Reflects partial year of compensation based on hire and termination dates, as follows: Mr. Green commenced employment on April 24, 2015, Mr. Miller commenced employment on November 19, 2015 and Dr. Morel terminated employment June 30, 2015.

Bonus

The amounts in the Bonus column are comprised of the following:

Name	Relocation Bonus	Retention Cash
Eric M. Green	$116,667	$500,000
George L. Miller	$66,667	

The Relocation Bonus was payable upon relocation to the Exton, Pennsylvania area under our relocation policy for all U.S. salaried employees. The bonus was equal to two months salary for Mr. Green and Mr. Miller, and was meant to cover incidental costs. If an employee terminates employment within 12 months of relocation, he or she must repay the relocation bonus. The Retention Cash granted to Mr. Green was payable six months after his start date and was intended to replace his equivalent annual bonus that he forfeited upon leaving his prior employer, Sigma-Aldrich.

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Stock Awards

Stock Awards Grant Date Fair Value (Target) 2013-2015

Name	2015 PVSU Awards ($)	2015 Incentive Shares ($)	2015 Restricted Stock ($)	2014 PVSU Awards ($)	2014 Incentive Shares ($)	2013 PVSU Awards ($)	2013 Incentive Shares ($)
Eric M. Green	1,424,918		1,750,032				
William J. Federici	350,015	-0-	-0-	349,985	-0-	349,966	-0-
Karen A. Flynn	299,990	12,522	-0-	300,018	10,025		
John E. Paproski	299,990	-0-	-0-	299,994	-0-	299,999	-0-
George L. Miller	300,037		400,028				
Donald E. Morel, Jr.	1,199,991		-0-	1,200,022	-0-	1,199,992	-0-

Mr. Green s time-vesting restricted stock award of 30,499 shares made on his start date of April 24, 2015 vests 42.9% on the third anniversary of the grant date and the remainder on the fifth anniversary of the grant date. Mr. Miller s time-vesting restricted stock award of 6,421 shares made on his start date of November 19, 2015, vests 100% on the fourth anniversary of the grant date.

The table below shows the maximum payout for PVSU awards made in 2015, 2014 and 2013.

Stock Awards PVSU Grant Date Maximum Value 2013-2015

Name	2015 ($)	2014 ($)	2013 ($)
Eric M. Green	2,849,836		
William J. Federici	700,030	699,970	699,932
Karen A. Flynn	599,980	600,036	
John E. Paproski	599,980	599,988	599,998
George L. Miller	600,074		
Donald E. Morel, Jr.	2,399,982	2,400,044	2,399,984

Option Awards

The amounts in the Option Awards column reflect the grant date fair value in each year, computed according to FASB ASC Topic 718.

We use the Black-Scholes option pricing model to calculate grant date fair value based on the following assumptions for the named recipients:

	November 19, 2015	October 20, 2015	June 30, 2015	April 24, 2015	February 23, 2015	September 29, 2014	February 24, 2014	March 26, 2013	February 19, 2013
Expected Life (Years)	5.8								