

Annual Report 2025





Vision

Our vision is for excellence in safety, environmental, and social outcomes across the global pharmaceutical and healthcare value chain.

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Chair's Welcome

2025 was a big year for PSCI



2025 PSCI Chair ←

Rob Williams

AstraZeneca

We delivered our first Member Meeting in China, hosted by AstraZeneca in Shanghai. It was brilliant to meet Members and our Supplier Partners based there, and to hear from local experts such as the China Pharmaceutical Enterprises Association (CPEA). The opportunity in China is clear; besides being a major supply hub, it is also catalyzing many promising developments and technologies which will benefit patients. The PSCI has been active in China for more than 10 years and has a strong foundation on which to build even more local awareness and presence.

Meanwhile our India Team orchestrated an impressive series of events tailored to the Indian pharma manufacturing community, alongside the annual Supplier Conference in its 10th year, which collectively delivered record-breaking regional engagement. Alongside our first ever webinar delivered in Japanese, the PSCI continues to grow its influence in Asia.

Another major success was the inaugural Decarbonization Summit, which reached a phenomenal 1,377 people via two days of virtual presentations, delivered by experts and leaders in the industry. This is testament to the efforts of the Summit organizing team, who deserve praise. I was particularly pleased to see the Chief Procurement Officers (CPOs) from several Member companies step up to testify the importance of supply chain responsibility. Their recognition of PSCI's mission is key to impact, and we consider them a key stakeholder group going forwards.

PSCI Members represent approximately 70% of the companies bringing drugs to market¹, but our estimates suggest we reach just a quarter of the industry's vast supply chain. Increasing supplier engagement is a key focus and our primary route to impact. Our efforts in Asia are key to this goal, as well as partnerships with organizations such as CPHI, My Green Lab, Energize, the Sustainable Markets Initiative, and many others. To our partners, we thank you for working alongside us towards shared goals and look forward to doing more together.

¹ By revenue; producers of drugs under own licenses



Increasing supplier engagement is a key focus and our primary route to impact.

We kept our lens out to other priority stakeholders, though: in particular investors, who we engaged with as part of the horseshoe crab blood project; and customer groups, many of whom (such as the NHS in the UK and Vizient in the US) are maturing their approach on ESG. In the case of both stakeholder groups, I believe PSCI has a role in helping them understand what good looks like across the breadth of Principle topics, and articulating the industry-aligned pathways to improvement. In 2025, Vizient joined our Spring Member Meeting to share their approach to ESG and how they are quantifying pharma companies' sustainability credentials to support procurement decisions at healthcare settings. Meanwhile, the NHS joined our Summit to set out their decarbonization priorities, also in procurement. It's so important that we contribute to these discussions and I thank both Vizient and the NHS for their time and cooperation this year.

As we close out 2025 and get fully into 2026 delivery, I wanted to take the chance to thank our outgoing Board and welcome in four new Board Directors. PSCI Leadership roles are voluntary and represent a significant contribution from the Membership. From my own experience, it is not always easy to make time for these additional responsibilities, but they really do make a tremendous difference. Importantly they ensure that the PSCI continues to be led by its Members, something I think we should all be proud of.

Finally, best of luck to Lucy Latham, Sandoz, who heads off to grow her family. Myself and Peter Nestor, Novartis, will be covering her Chairship during her absence. Lucy – we look forward to your return!

PSCI Annual Report 2025

1st

Member Meeting held in China

P.11

2025 Highlights

10

new Supplier Partners

P.10

10th

anniversary of the India Supplier Conference

P.24

4

Technical Workshops delivered in India

P.25

1,377

attendees to first-ever Decarbonization Summit

P.18

2,046

audit findings analyzed for insights into responsible supply chain issues and trends

P.29

297

Audits uploaded

P.17

1,900

attendees to webinars

P.22



Who Are We

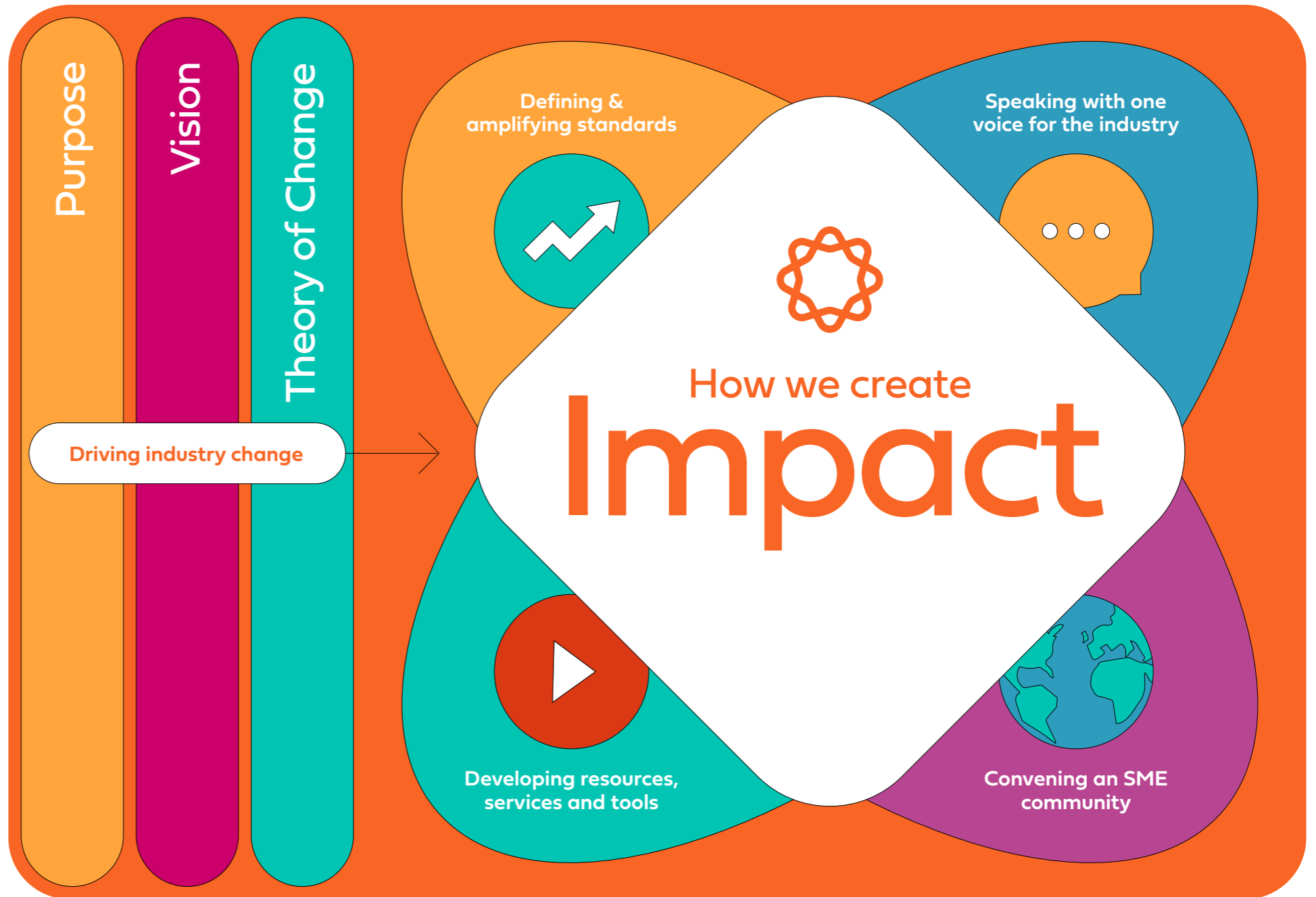
The Pharmaceutical Supply Chain Initiative (PSCI) is the leading, Member-led association for pharmaceutical companies working collaboratively to build responsible supply chains. Founded in 2006 and established as a non-profit in 2013, we are powered by our Members who represent 70% of the pharma industry and more than \$1.2tn revenue collectively.

We exist to advance and embed responsible practices in the pharmaceutical, life science, and healthcare supply chains.

Our Members work together to uphold the PSCI Principles for Responsible Supply Chain Management and collaborate through our three modes of impact: Audit, Capability, and Projects, to define standards, develop tools, and convene expertise to advance responsible supply chain practices.

The PSCI and our Members create impact by:

- Nurturing communities of subject matter experts who collectively define, advance and amplify responsible practices.
- Developing resources, services and tools to simplify and improve supply chain excellence.
- Carrying out impact projects where a cross-organizational approach can be most effective.



PSCI Principles

PSCI's founding Members created the PSCI Principles for Responsible Supply Chain Management to articulate expectations in five key areas: **Ethics, Environment, Human Rights, Health & Safety, underpinned by Governance & Management Systems.**

Members publicly commit to upholding the Principles in their own operations and reflecting in their supplier expectations. They are the foundation of PSCI's Audit Protocol and Maturity Models and Learning Plans, ensuring a holistic and consistent framework for the industry.

The Principles are updated on a regular cycle, most recently in 2023. In 2026, the Principles will be reviewed to ensure they remain updated to current good practices. This process will be based on Member input, with an external consultation. The updated Principles will be presented to Members for adoption in Fall 2026.

Governance & Management Systems



- Culture, commitment and accountability
- Legal and customer requirements
- Risk management
- Traceability and control
- Training and competency
- Documentation
- Continual improvement
- Emergency preparedness and response
- Grievance mechanisms
- Response and Remediation
- Effective communication

Ethics



- Patient safety and access to information
- Anti-bribery and corruption
- Fair competition
- Animal welfare
- Data privacy and security
- Avoidance and management of conflicts of interest
- Product protection and quality

Human Rights



- Freely chosen employment
- Child labor and young workers
- Non-discrimination
- Fair treatment
- Wages, benefits and working hours
- Freedom of association and right to collective bargaining
- Local communities

Health & Safety



- Safety of the work environment
- Worker protection, health and wellbeing
- Process safety

Environment






- Environmental authorizations and reporting
- Management of waste and emissions
- Climate change
- Resource efficiency
- Biodiversity conservation
- Spills and releases prevention

Our Members

The PSCI Membership consists of companies in the pharmaceutical, life science, and healthcare industry that share our vision of excellence in safety, environment and social outcomes across the pharmaceutical and healthcare value chain, collaborating to drive change at scale.

Creating Impact and Value Together

- 
Sector Collaboration
 Members collaborate to move the industry towards responsible supply chain practices, leveraging their collective expertise and resources.
- 
Learning and Development
 Members benefit from learning opportunities with their peers, enhancing their knowledge and capabilities in responsible practices.
- 
Efficiency and Improvement
 By participating in the shared audit program, Members reduce the audit burden on their suppliers and improve efficiency.
- 
Reputation and Leadership
 Being a PSCI Member enhances a company's reputation as a recognized advocate of a responsible pharmaceutical and healthcare value chain.





Full Membership

Full Membership is for companies that are ready to fully participate in PSCI by committing to the Principles, uploading audits, and participating in our committees and topic teams.

Associate Membership

Associate Membership allows companies to learn as a part of PSCI whilst building out their sustainability and audit programs. Associate Members must progress to full Membership within a maximum of three years.

To be eligible for Membership, companies must meet at least one of the following requirements:

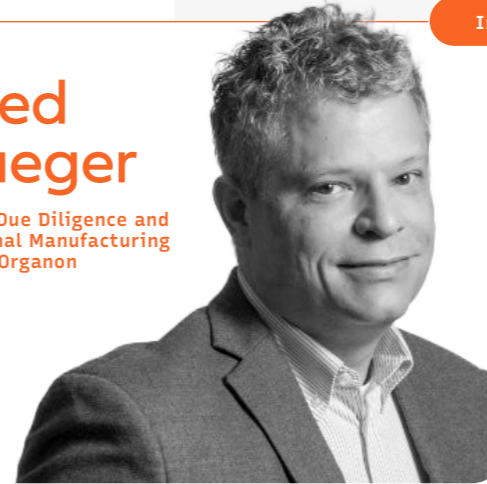
-  Substantial revenues* from patented / proprietary medicines or medical devices
-  Substantial revenues* from medical products sold direct to consumer under the company's brand
-  Manufacture generic (off patent) medicines and medical products where these are substantially* sold direct to customers under the company's own marketing licenses
-  Provide ingredients or components where these are substantially* patented or trade-marked by the supplying companies

*more than 50% of the company's sales

Interview

Fred Jaeger

EHS - Due Diligence and External Manufacturing Lead, Organon



What does being a PSCI Member mean for Organon?

For Organon, the PSCI gives real strength and consistency to how we manage our global supply chain. We operate in places where local standards can vary, so the PSCI Principles offer a clear and consistent benchmark that helps to ensure safe working conditions, environmental compliance, and a shared understanding of expectations. Being a Member also strengthens our partnerships as we are aligned around the same global framework.

How does the PSCI help shape your supplier engagement program?

One of the biggest benefits for suppliers is access to PSCI's tools such as the digital course catalogue, webinars, Maturity Models and the Audit Protocol. When we go into an audit, being able to offer solutions and examples provided by the PSCI to our suppliers makes a huge difference. Suppliers can

see what good looks like and mature their programs over time. Audit sharing saves time, and with the updates coming to the digital platform, the whole process will be easier and more consistent. It will become a genuinely collaborative journey.

What are the benefits that you have found in moving from Associate to Full Membership?

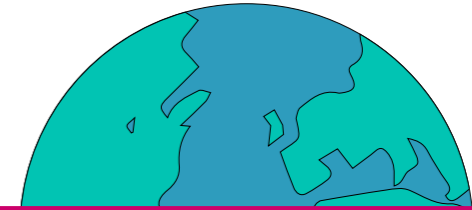
Transitioning to Full Membership has meant becoming more actively involved in the PSCI, especially as our audit program has matured. Taking on the co-lead role in the Capability Committee has allowed me to help deliver tools and guidance to suppliers – something I really believe in. For Members moving from Associate to Full Membership, this is where you can really make a difference. Start by listening and learning, then lean into the areas where your strengths lie. Engagement is where the value really happens.

What are you excited about for the PSCI's current direction?

I'm excited about how PSCI continues to expand support for suppliers – through meetings, webinars, conferences with great speakers and strong learning resources such as the excellent digital courses. I see a huge potential in AI: helping reduce language barriers, simplify regulatory interpretation, and speed up course development. As Members, we all have full-time roles, so anything that accelerates knowledge-sharing is a real advantage. The strength of the PSCI is in its Membership. The more engaged we all are, the more resilient and safe our supply chains become.

 **For Members moving from Associate to Full Membership, this is where you can really make a difference.**

Our Members



→ 39 Full Members

+

46 Associate Members

=

85 Members Worldwide in 2025

ABBOTT

acino

AstraZeneca

AUROBINDO
Committed to healthier life!

BASF
We create chemistry

BAYER

BD

Boehringer Ingelheim

Bristol Myers Squibb

CENTRIENT
Pharmaceuticals

Chiesi

Coloplast

Elanco

GRÜNENTHAL

GSK

HALEON

Johnson & Johnson

kenvue

Lilly

MERCK

NOVARTIS

novo nordisk

Opella.

ORGANON

ORION
PHARMA

par
health.

Pfizer

Piramal

Roche

SANDOZ

sanofi

SARTORIUS

Takeda

teva

ucb

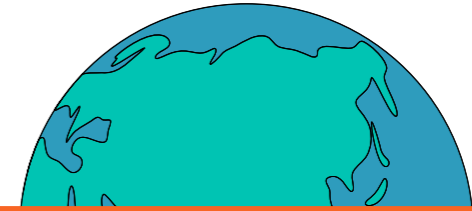
vetoquinol
ACHIEVE MORE TOGETHER

VIATRIS

West

zoetis

Our Members



39 Full Members + → 46 Associate Members = 85 Members Worldwide in 2025

Supplier Partners



The PSCI launched a Supplier Partnership category in 2024 to formally recognize and acknowledge suppliers' commitments to responsible business practices. This partnership category is intended to create a community of companies who engage and share insights with the PSCI Member community through their audit uploads, knowledge, and presence.



Through the PSCI, Supplier Partners...

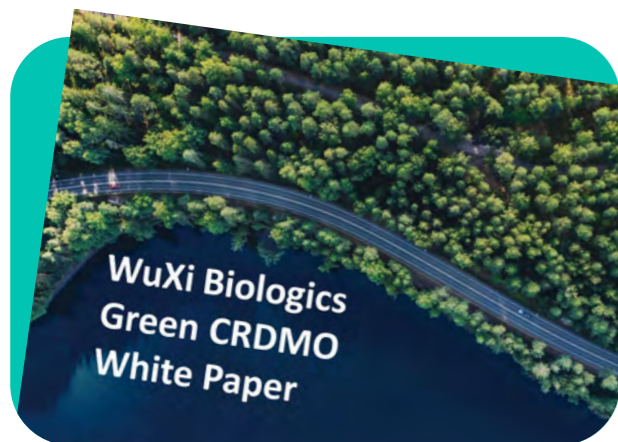
- **Demonstrate leadership:** Demonstrate commitment to the PSCI Principles by sharing audits and completing the Maturity Models.
- **Engage with Members:** Register interest in PSCI Teams and Committees to receive regular updates and provide input on PSCI activities (subject to invitation).
- **Dedicated Forum:** Share views at quarterly discussion forums on topics such as PFAS regulations, Decarbonization, and Business Resiliency.
- **Preferred collaborators:** Collaborate with PSCI Members on projects and present at PSCI conferences and events (subject to invitation).
- **Special access:** Access customized content and audits uploaded by other companies (subject to approval of the audited company and sponsor).
- **Gain recognition:** Enjoy recognition as a Supplier Partner and use the 'PSCI Supplier Partner' badge externally.

Key achievements

- 10 new Supplier Partners joined.
- Supplier Partners invited to participate in bi-annual Member Meetings.
- Feedback and experiences shared on the audit program from the suppliers' POV.
- Input provided on forthcoming Modular Audit Program.

In its second year after launching, 22 Supplier Partners are now part of PSCI, with 10 new joiners in 2025. This reflects the engagement and commitment from suppliers to be actively involved and formally recognized by the PSCI, adding insight and value to the PSCI's community and approach.

In 2025, for the first time, Supplier Partners were invited to attend and contribute to the Spring and Fall Member meetings which brought a sense of real collective energy. WuXiBiologics presented their research on their published Green CRDMO White Paper at the Fall Meeting in China, providing opportunities for knowledge sharing and enhancing collaboration across the Membership. Following its success, in 2026 we are excited to engage in dialogue with our Supplier Partners and work alongside them to enhance industry practices.



To qualify for Supplier Partnership, companies must meet at least one of the following criteria:

- ✓ Manufacturer of components or ingredients
- ✓ Manufacturer of finished pharmaceutical or medical products supplied under clients' brand names or licenses (CMOs)
- ✓ Provider of 'white label' services (CDOs, CROs)

Interview

Pierre Reuse

Global Head of Sustainability, Lonza



What does engagement with PSCI mean for Lonza and what motivated the move from Full Membership to Supplier Partnership?

Having been involved in the PSCI for almost 10 years, I know that PSCI is a true community of experts. PSCI's direction comes from people who really understand the issues in the pharmaceutical supply chain. As a CDMO, Full PSCI Membership wasn't fully suited to us, due to the audit requirements and differing business model compared to our peer Members. Moving into Supplier Partnership made things clearer, as it gives suppliers like us a dedicated place to contribute, and over time it will amplify our voice more effectively.

How has Supplier Partnership supported Lonza's responsible business and sustainability goals?

Our association with PSCI is valuable to Lonza

due to its strong reputation. Aligning ourselves with the PSCI helps demonstrate internally and externally that we are doing the right things. Training, information on key PSCI initiatives and the audit platform helps us to understand where the industry is heading. I also appreciate being a part of a community, for example, hearing from suppliers with different levels of maturity through the Supplier Partner Forums.

What benefits have you experienced as a Supplier Partner and has it helped to amplify Lonza's voice?

For us, the biggest benefit is the visibility and insight into the direction of responsible supply chain management in the pharmaceutical industry. PSCI publications help us understand both the maturity and expectations of ourselves and our own customers, whilst Partnership enables a dialogue through which our experiences are heard and understood. For example, raising the importance of PFAS helped us benchmark our position and understand how we compare to our peers.

Looking ahead, what excites you most about PSCI's direction?

Looking ahead, I see an opportunity for more collaboration between suppliers and Members on important issues, ensuring both voices are heard. I also value that PSCI tends to be ahead of legislation and helps us to shape approaches that will eventually become regulatory expectations. For Lonza, being part of that dialogue enables us to prepare proactively and better serve our customers.

PSCI's direction comes from people who really understand the issues in the pharmaceutical supply chain.

Board & Governance

The PSCI is governed by a Member-elected Board of Directors, which is our primary decision-making body. The Board develops and approves the PSCI’s strategy and workplan to realize the Members’ goals and expectations. The Board is composed of representatives from Member companies, who serve a three-year term.

The Board is supported by the three **Committees** that deliver our modes of impact: Audit, Capability, and Projects. The Committees consist of individuals from the Member companies who contribute their time and expertise. The Audit Committee maintains the PSCI’s Audit Protocols, Shared Audit Program, and approved auditor relationships. The Capability Committee delivers our capability-building program in partnership with the Topic and Regional Teams, ensuring our content meets supplier needs. The Projects Committee reviews and oversees Member-led projects that aim to create deep or lasting impact for the supply chain.

The **Topic Teams** convene subject matter experts around the PSCI Principle topics and ensure our Audit Protocols and capability-building resources reflect good practice.

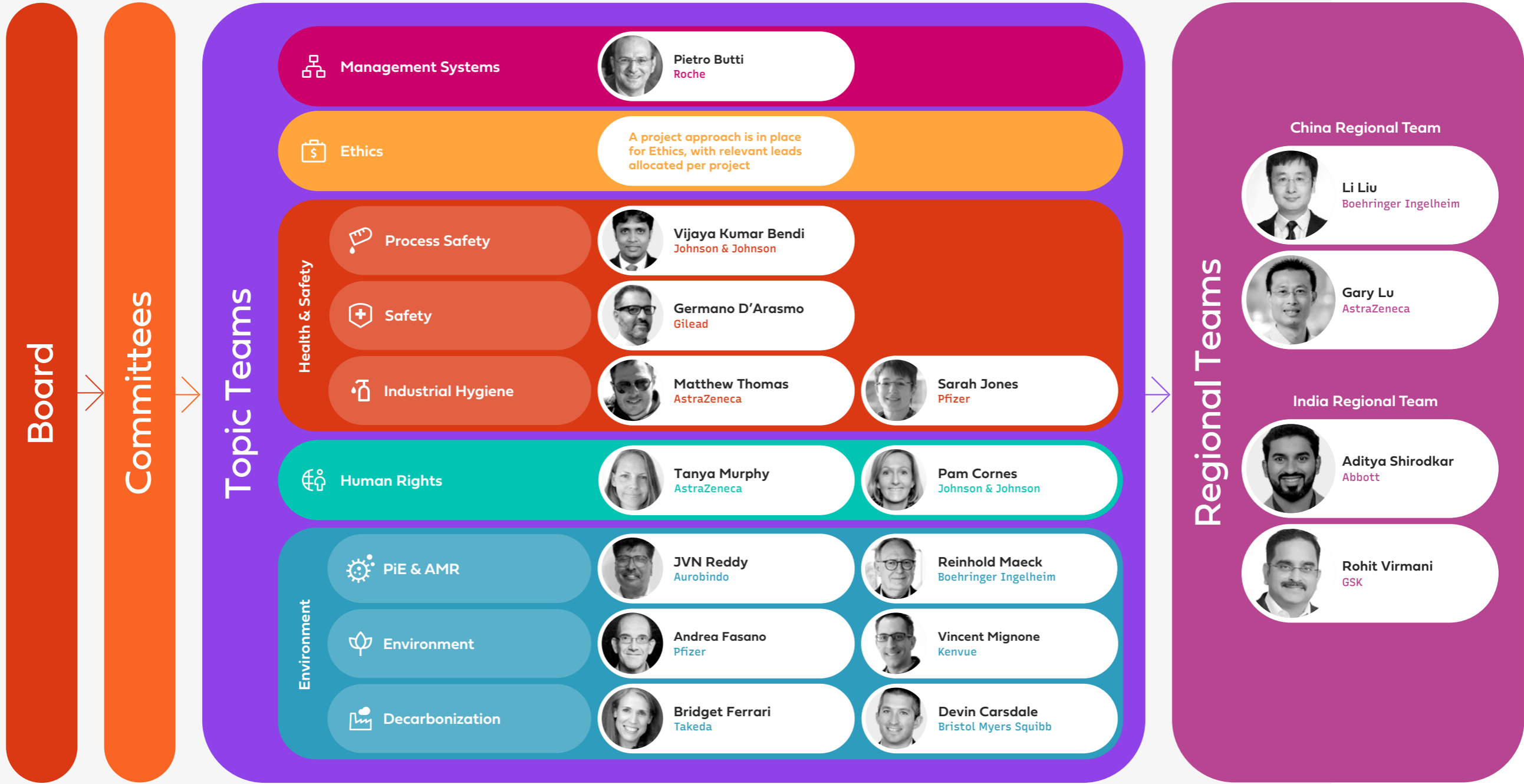
The **Regional Teams** in India and China provide local knowledge for major sourcing hubs to ensure our projects and tools meet the needs of suppliers in these regions.

The Board extends its gratitude to the leaders and members of the Committees, Topic Teams, and Regional Teams for their contribution and engagement in delivering our shared mission.

All PSCI Members agree to and abide by robust protocols which respect antitrust rules.

The PSCI is supported by a Secretariat from SLR Consulting.





Building Responsible Supply Chains



Purpose

Vision

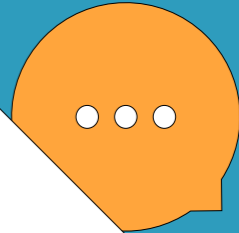
Theory of Change

Driving industry change

Defining & amplifying standards



Speaking with one voice for the industry



How we create

Impact

The PSCI creates value for our Members and their Suppliers by defining and amplifying industry standards, allowing the industry to speak with one voice, developing resources, services and tools to simplify and improve supply chain excellence, and nurturing a community of subject matter experts who can collectively advance practices.

Developing resources, services and tools



Convening an SME community



Defining & Amplifying Standards

Understanding site-level practices to create impact at scale – the PSCI Shared Audit Program

The PSCI Shared Audit Program is at the heart of realizing our Members’ vision for responsible supply chain practices. Every year, pharmaceutical and healthcare companies carry out thousands of audits around the world to ensure that their suppliers are meeting expectations around Human Rights, Ethics and Health, Safety, and Environmental standards. These audits represent a significant investment of time and financial resources both for the company and the supplier.

Through the PSCI, our Members work collaboratively on audits through the PSCI Shared Audit Program. The PSCI Audit Protocols, Self-Assessment Questionnaires (SAQ), and supporting tools are an industry-aligned framework for site-specific, on-site assessment of supplier practices, specific to the pharmaceutical and healthcare industries. Our audit framework can assess a supplier's performance at a site-level against all or part of the PSCI Principles: Governance & Management Systems, Ethics, Human Rights, Health & Safety, and Environment. The audit framework may also assess against international standards and agreements, as well as local regulatory requirements.

Through our platform, PSCI Members can upload PSCI audits from their suppliers and share with fellow Members. This creates transparency and efficiency, with a consistent articulation of responsible practices and resources freed up for practical improvement efforts. Suppliers have full control over who can access their audit reports, and can choose to share the report with one, many, or all PSCI Members (subject to agreement of the sponsoring company).

The audit framework is owned by the PSCI’s Members and - with their input - updated on a regular cadence, factoring in evolving best practice. The Audit Committee maintains overall responsibility for the Audit Protocols and Shared Audit Program.

→ **Suppliers have full control over who can access their audit reports, and can choose to share the report with one, many, or all PSCI Members.**

Collaborating on audits to drive efficiency and improved practices

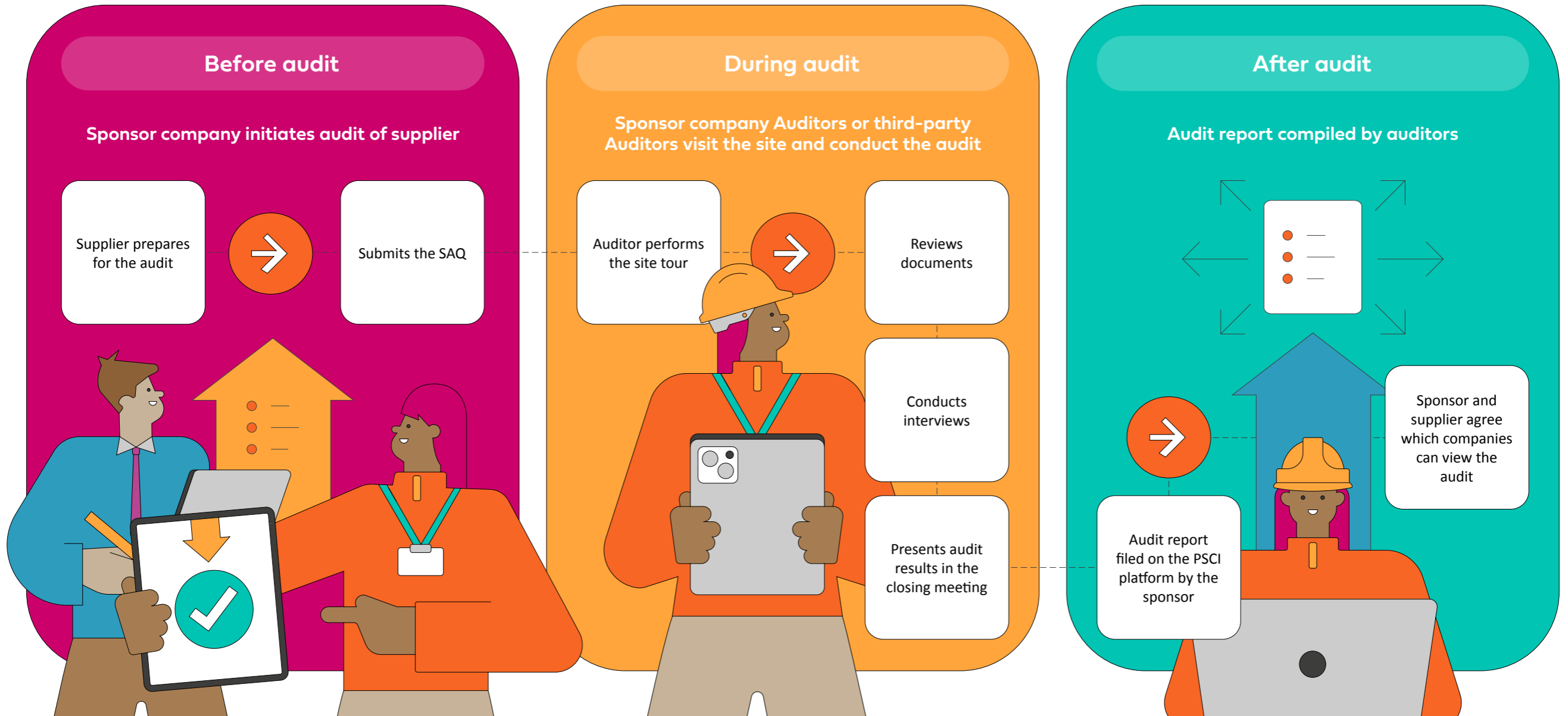
- ✓ **Reduces duplication** – sharing audits reduces the audit burden on suppliers and Members.
- ✓ **Saves cost and resource** – audits cost money and time for both the audit sponsor and the supplier. Fewer audits mean lower cost and efficiency gains for both sides.
- ✓ **Increases visibility** – our bank of audits allows us to analyze and identify trends over time, surfacing areas of continued challenge for suppliers and feeding into our capability building program.
- ✓ **Supports continuous improvement** – preparing for fewer audits refocuses time on making improvements.



The PSCI Audit Process

There are two ways that PSCI Audits can be initiated. Either the PSCI Member company can sponsor the audit of a supplier company (known as a sponsor initiated audit), or a supplier company can initiate an audit against the PSCI Audit Protocol which is then conducted by one of the PSCI approved third-party audit firms (known as a self-initiated audit).

The PSCI Audit Protocol considers all topics in the PSCI Principles (Governance & Management Systems, Ethics, Human Rights, Health & Safety, and Environment – though the sponsor may narrow the focus to specific topics) and are carried out by approved third-party audit firms or internal auditors from PSCI Member companies.



2025 Initiatives

- Updated PSCI Audit Protocol and resources
- Developed a modular audit framework
- Engaged with third-party audit providers

As a supplier, participating in the PSCI Shared Audit Program is both a practical and a meaningful experience. It reduces duplication and increases transparency, and also gives us first hand insight into the expectations of PSCI Member companies and how those expectations are implemented in real operational settings. This understanding helps us grow as a supplier, strengthens trust and collaboration, and contributes to a more aligned and responsible industry overall.

Carmen de Rosendo,
Sustainability & EHS
Director,
AGC Pharma
Chemicals



Key Audit Stats

1,505 🔍
audits on the PSCI platform

297 ↑
audits uploaded* in 2025

158 ↗
Audits shared** in 2025

28 ✓
approved third-party audit firms

* An audit is only considered as uploaded when the uploader has completed all required sections and submitted the responses using the submission button. An audit record that is created but not submitted is not accounted for in these figures, as it may be incomplete. This methodology has been applied since the submission function was introduced to the platform in 2024.

** The supplier and audit sponsor use secure sharing controls to choose which companies can view the audit report.

Interview

Closing the gap – connecting audit findings to PSCI resources to drive better corrective and preventive actions

Warren Bird

Associate Director in
Due Diligence & External
Manufacturing at Merck (MSD)



Connecting audit findings to PSCI resources is an opportunity for the PSCI to advance supplier knowledge and improve overall CAPA quality. Once an audit is done and the report is shared, the real work begins. Implementing corrective actions takes time and resource. The benefit of the PSCI’s approach is that we point suppliers toward our collection of Member-vetted resources that support corrective action planning.

The PSCI’s high quality and industry-specific resources not only educate and empower employees at supplier sites, but can also create a ripple effect across the enterprise. We enable a better quality of conversation between site leaders and the business.

The quality of the PSCI’s training materials and digital content on Learnster is second-to-none for pharmaceutical supply chain companies. What’s unique about the PSCI’s resources is that they’re aimed at the people who do the work, providing practical, task-based tactics for EHS professionals working on-site. And they’re not just focused on one topic but reflect the accumulated knowledge of PSCI Members from the last decade across all five of the PSCI Principles.

This is just the first step in improving practices industry-wide, but small steps lead to big impacts. We encourage auditors to understand what the PSCI offers in terms of training materials and then point suppliers toward relevant content. It’s a small step to empower the supplier community in their journey to more responsible, resilient, and sustainable practices.

🗨️ **This is just the first step in improving practices industry-wide, but small steps lead to big impacts.**

Speaking with One Voice for the Industry

Creating common guidelines and consistent messages to drive improvement

Lead with purpose. Act together. Decarbonize faster.

PSCI **Decarbonization Summit 2025**
22 – 23 October — Virtual

Through our Decarbonization Topic Team, PSCI Members have worked together to develop common guidelines to support suppliers to start, progress, and lead in their own decarbonization journeys. Our partnerships with renewable energy groups like Energize, the publication of the [Decarbonization Playbook for the Pharmaceutical Industry](#) with Accenture, and our own [Decarbonization Pathway](#) are key examples of how Members are speaking with one voice in the industry when it comes to decarbonization.

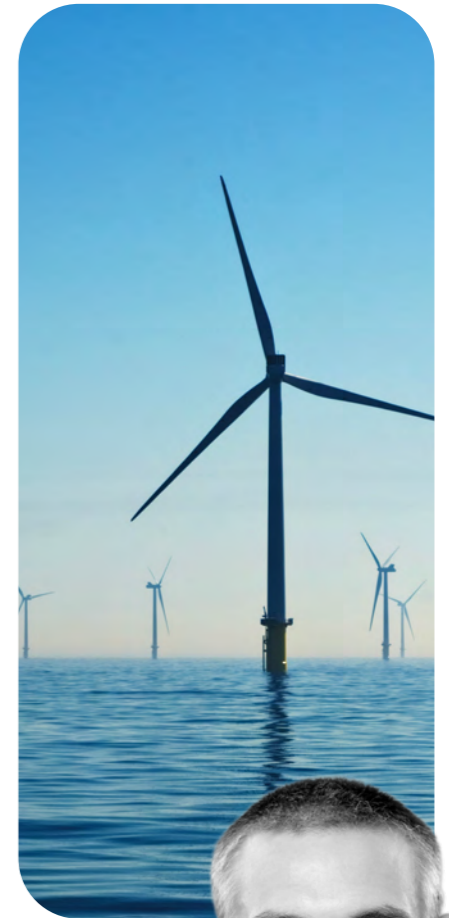
In 2025, we took this one step further and held a first-ever virtual summit focused solely on decarbonization. This two-day virtual conference covered topics such as setting an emissions baseline, creating a supplier engagement plan, and the role of life cycle assessments. The agenda was structured to appeal to suppliers at different levels of maturity in their approach to decarbonization. To help attendees get the most from the conference, the agenda was organized according to maturity level (from starting out to implementing and finally leading), enabling attendees to join the most relevant sessions for them. This work was funded through the PSCI's Projects workstream, which provides investment for Member-led projects that align with our mission and aim to create deep or lasting impact for the supply chain.

1,377
virtual attendees

10
Chief Procurement Officers presented across 3 panels

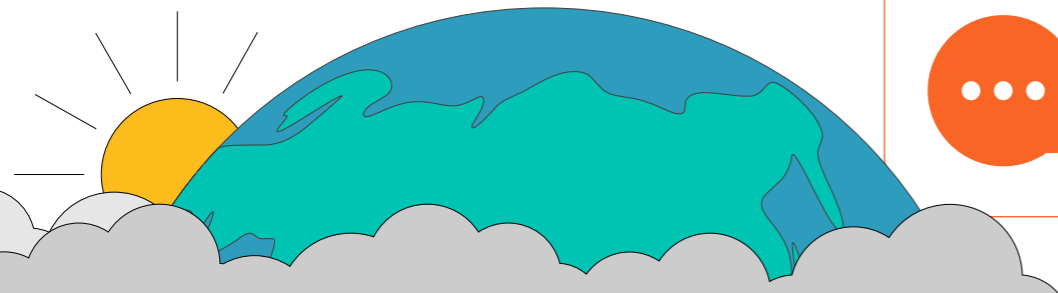
807
companies represented

4.5/5
average score across all sessions



I believe I speak for many suppliers when I say thank you for all coming together with a shared voice. We understand you all have unique perspectives and priorities, but harmonization makes this feasible at the other end of the table.

Matthew Yamatin, Global Sustainability Program Director, Thermo Fisher Scientific



Interview

The Decarbonization Topic Team led the ideation and delivery of the Decarbonization Summit. Here, they reflect on the key learnings, impacts, and future plans.

How did PSCI help support and shape the idea of the Decarbonization Summit?

Bridget: Amongst the Decarbonization Topic Team Members, we've discussed what more we could do collectively beyond meetings and resources. The idea grew organically and, with support from PSCI Members and investment from the Projects workstream, it evolved into a cohesive industry effort.

Diana: PSCI provides a unique platform to engage with our suppliers - jointly as an industry. One of our key principles was to meet suppliers where they are on their sustainability journey. Therefore, we leveraged the PSCI Decarbonization Maturity Model and designed capability development sessions across all four maturity levels.

How did PSCI foster collaboration across the industry at such a large scale?

Devin: The breadth of PSCI's network made collaboration possible. We brought in partners like Energize, PEG, Biophorum and others, which helped create a robust program spanning renewable energy, net zero strategies, Life Cycle Assessments, and more.

Sandra: PSCI is a strong force for industry collaboration. We used the knowledge and reach of Member companies to speak to suppliers with one voice.

→ One of our key principles was to meet suppliers where they are on their sustainability journey.

What were the biggest learnings and outcomes from the summit?

Bridget: The wide span of supplier maturity was the key takeaway. Some are still setting targets while others needed demand signals for decarbonized products on the market. Data also came up as a key theme. Not just better data, but simpler and standardized approaches.

Devin: The panel made up of senior leaders, including Chief Procurement Officers, was extremely powerful. We were joined by 13 senior leaders across the value chain, which sent a powerful message that this is a real commercial priority supporting both resiliency and legislative compliance, and not just a 'nice-to-have'.

Diana: In addition, we learned how impactful it is to engage various stakeholders such as technical teams, account managers and senior leaders. During joint sessions presented by suppliers and pharmaceutical companies, we learnt about best practices and existing partnerships which was truly inspiring.

What's next?

Devin: There's clear appetite to keep building on the Summit. Engagement will stay at the top of the agenda, along with simplifying data requirements and partnering with the right organizations to avoid duplication. We hope to keep building on this momentum.

Sandra: We've gathered extensive feedback from suppliers and Members, and our strategy day in London in early 2026 brought more than 80 people getting their perspective to explore the future of the workstream.

Bridget Ferrari

Director, Supplier Sustainability, Takeda



Devin Carsdale

Director of Responsible Sourcing, BMS



Diana Kilian

Sustainable Procurement Lead, Roche



Sandra Matamoros

Responsible Sourcing Program Lead, Grünenthal



Developing Resources, Services, and Tools

to simplify and improve supply chain excellence

Providing once-and-for-all tools that meet the needs of the supplier community

The value chain for the pharmaceutical and healthcare supply chain is vast, globally interconnected, and diverse. Supplying companies operate in countries all over the world, focus on different areas of production, research, or manufacturing, and have differing priorities for sustainability and EHS practices. What unites these companies is the need to meet the expectations of their customers and the industry. The PSCI supports suppliers to improve their practices, get to grips with emerging topics, and provide industry-designed tools and resources to develop knowledge.

How we do this

Developing content to meet capability-building needs



Resource example

Learning Plans and Maturity Models

Our topic-specific Maturity Models enable suppliers to understand where their organization sits on a pathway to best practice, based on the PSCI Principles. Suppliers can access a structured Learning Plan, mapped to the Maturity Models, with all content tailored to the pharmaceutical manufacturing context. We use our annual Audit Findings Analysis to feed into the development of these resources, helping to ensure our models and content align with common and material issues being highlighted in audits.



Environment
+

Governance & Management Systems
—

Business Continuity Management
—

- 🕒

Added Aug 2025

Identify critical products and services

—
- 🕒

Added Aug 2025

Carry out an initial high-level business impact analysis

—
- 🕒

Added Aug 2025

Assign initial BCM departmental responsibilities

—
- 👍

Added Aug 2025

Refine RTOs, RPOs for critical processes

—
- 👍

Added Aug 2025

Map critical third-party, supply chain elements

—
- 👍

Added Aug 2025

Train personnel on BCM roles

—
- 👉

Added Aug 2025

Embed BCM plans into daily operations

—
- 👉

Added Aug 2025

Regularly test plans; validate effectiveness

—
- 🛡️

Added Aug 2025

Proactively monitor, incorporate emerging threats

—
- 🛡️

Added Aug 2025

Strong leadership, business ownership of BCM

—
- 🛡️

Added Aug 2025

Continuously improve BCM: leverage lessons learned

—



Business resilience is a shared responsibility. The PSCI's Business Continuity Management Maturity Model helps suppliers and customers speak with one voice and align around common expectations. It offers a clear, practical roadmap that moves beyond documents to support dependable continuity, protecting patients and sustaining supply when it matters most. Suppliers can benchmark and prioritize their approaches with confidence as the model highlights the highest-value capabilities needed to keep critical products flowing and risks contained across complex global networks.



Webinars

PSCI Members and subject matter experts deliver monthly webinars covering a wide range of established and emerging topics relevant to the industry, in addition to deep diving on our Audit Findings and showcasing insights from partners like My Green Lab and Energize.

1,900 | 20
Total webinar attendees | webinars



Resource example

Most Popular Webinars

- 1 Exposure monitoring and control – importance of exposure risk assessment
- 2 An introduction to LCAs in the pharmaceutical sector
- 3 Strategies for accurate API monitoring
- 4 Extended Producer Responsibility (EPR) Current and evolving regulations in India
- 5 Human Rights in India’s pharmaceutical supply chain

<p>India</p> <ul style="list-style-type: none"> 1 Exposure monitoring and control 2 Extended producer responsibility 3 Road safety 4 Human rights in the supply chain
<p>China</p> <ul style="list-style-type: none"> 1 Towards Net Zero 2 Emission reduction & energy saving practices
<p>Japan</p> <ul style="list-style-type: none"> 1 The threat of Anti-microbial resistance and pharmaceutical responsibility
<p>Latin America</p> <ul style="list-style-type: none"> 1 Fire safety training



2025 was an extraordinary year for building supplier capabilities within the PSCI. With strong support from our Board, Committees, and especially our Topic Teams, numerous digital courses for suppliers were developed and we hosted our first-ever webinar in Japanese. These achievements ensured that the PSCI Principles were shared more broadly than ever across the global pharmaceutical supply chain, playing a critical role in advancing our strategic objectives. Looking ahead, we firmly believe that, empowered by our forthcoming digital platform, the PSCI’s capability building program will accelerate even further and achieve unprecedented impacts.

Wenjia Xu, Associate Director, Global Safety and Environment, MSD



Online Courses

PSCI Members and suppliers can access courses on our online catalogue at any time and in any place. Courses are developed with expert insight from our Members and are designed to be short, interactive, and engaging to support learning and development. We work with subject matter experts from the PSCI community, learning and development practitioners, and third-party experts to develop course content.

306

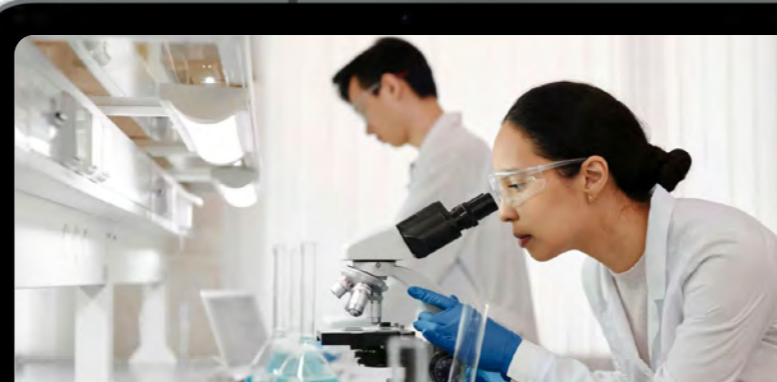
Learner users accessing 56 courses

950

conference attendees



Resource example



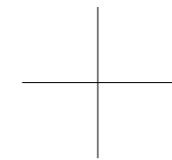
Online 1 hour

Life Cycle Assessments Course

The health sector faces growing sustainability demands from regulators, payers, and consumers. A Life Cycle Assessment (LCA) helps quantify environmental impacts across a product's lifecycle. This training course will equip you with foundational LCA knowledge and practical insights for supplier engagement. This work was funded through the PSCI's Projects workstream, which provides investment for Member-led projects that align with our mission and aim to create deep or lasting impact for the supply chain.

Learning Outcomes

- ✓ Explain the Importance of LCAs in the Pharmaceutical Sector
- ✓ Understand the Fundamentals of LCAs
- ✓ Analyze the Key Steps in Conducting an LCA
- ✓ Discuss of the Role of Suppliers in Supporting LCA Practices



Course feedback

'Good content and thinking-oriented quiz questions.'

'Loved that it was interactive...really got me thinking!'



Conferences and Technical Workshops

Learning face-to-face, making connections directly within the industry, and speaking with one voice on responsible business practices are just some of the benefits of our in-person conferences and technical workshops. For over 10 years, PSCI Members have been delivering conferences in major sourcing regions for the industry, China and India. Our Regional Teams based in those countries lead the development and delivery of these multi-day conferences, which welcome hundreds of suppliers and focus on global trends and deep dive sessions on topics most relevant for the region (based substantially on the results of our annual Audit Findings Analysis). Engaging with suppliers in-person and in local regions allow us to hear directly from them on what challenges they face and their ideas for further support and collaboration.



Resource example

10 Years in India

2025 marked the 10th anniversary of the PSCI's Supplier Conference in India and was a resounding demonstration of the growing influence of the PSCI and interest in responsible supply chain practices amongst supplying companies on the sub-continent. Led and delivered by the India Regional Team, the three-day conference welcomed over 750 attendees and covered topics including process safety, business resilience, and biodiversity.

The conference also included notable innovations and activities to drive engagement and foster collaboration amongst the attendees.

- **The Wall of Impact:** 35 examples and stories were shared by India-based suppliers on the impact their engagement with the PSCI has created.
- **Technical Sessions:** 8 technical-focused sessions were delivered by subject matter experts.
- **Leaders Panel:** a diverse panel discussion featuring recognized leaders in the industry.
- **Exhibition:** 10 unique exhibition stalls featured EHS and sustainability-linked solutions and organizations that reflected the conference agenda.



These three days at the PSCI conference reinforced one powerful truth: process safety is at the heart of everything we do. Every speaker, every session echoed its importance. The learning, idea-sharing, and real-world insights I gained here will stay with me — and I'm excited to carry them back to my workplace to help build safer, stronger operations.

Attendee at the 2025 India Conference



The 2025 India Supplier Conference offered a truly meaningful moment of reflection as we celebrated 10 years of the PSCI Supplier Conference in India. Over the past decade, the team has played a pivotal role in strengthening India's pharmaceutical supply chain by advancing ethical business practices, protecting human rights and labor standards, improving health and safety performance, driving environmental stewardship, and reinforcing strong management systems—fully reflecting the breadth of the PSCI Principles. To honor this remarkable journey, we held a special 10 year celebration recognizing the dedication, collaboration, and sustained impact of the India Team. Their commitment has driven lasting improvements across the supplier ecosystem and continues to inspire progress.

Aditya Shirodkar, Global Senior EHS Specialist, Abbott



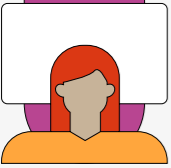
Technical Workshops in India

In 2025, the India Regional Team delivered a series of face-to-face technical workshops for suppliers in unique regions of India, including Andhra Pradesh, Madhya Pradesh, Gujarat, and Sikkim. These smaller workshops (welcoming 30-40 attendees) held in regionally relevant locations were targeted towards HSE, process safety, industrial hygiene, and engineering professionals from the manufacturing industries. Both the locations and topics were derived from insights from our Annual Audit Findings Report and feedback from conference attendees on what would support their learning and practices. This work was funded through the PSCI's Projects workstream, which provides investment for Member-led projects that align with our mission and aim to create deep or lasting impact for the supply chain.



→ Both the locations and topics were derived from insights from our Annual Audit Findings Report and feedback from conference attendees on what would support their learning and practices.

Resource example



Convening an SME Community

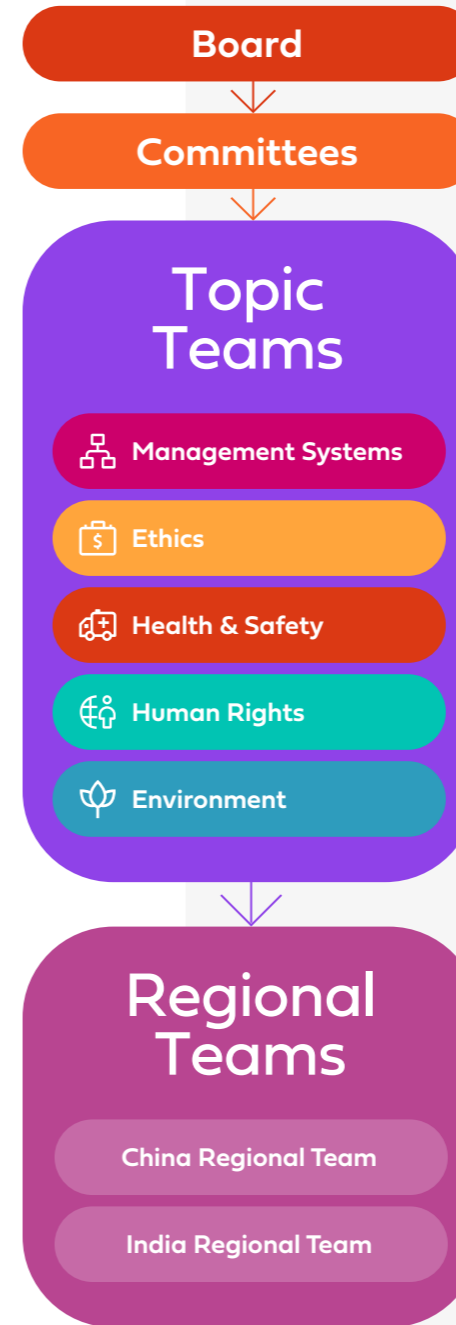
to advance practices



→ Our strong governance systems allow Members to collaborate pre-competitively on topics across the PSCI Principles.

With 80+ Members representing 70% of the pharma and healthcare industry, the PSCI has a unique opportunity to bring together subject matter experts from companies all around the world to tackle common challenges and share learnings at scale. Our strong governance systems allow Members to collaborate pre-competitively on topics across the PSCI Principles, including focused issues like horseshoe crab blood in endotoxin testing or wastewater lab testing capabilities in India.

Subject matter experts from amongst our Member companies are a core part of the PSCI community. They come together in our Topic Teams, Regional Teams for China and India, as well as specially formed project teams. With their input, the PSCI can draw on deep expertise, establish common ground, and express a harmonized view across the value chain.



- ## Projects delivered by our SME groups
- ✓ Developing a training course for suppliers on Life Cycle Assessments.
 - ✓ Engaging with suppliers on responsible lactose sourcing.
 - ✓ Hosting a first-ever virtual Decarbonization Summit.
 - ✓ Supporting the Marseille Declaration.
 - ✓ Providing a helpdesk for suppliers looking to set science-based targets.
 - ✓ Showcasing best practices in energy conservation and emission reduction at a Chinese facility.
 - ✓ Reporting on the use of horseshoe crab blood amongst Members.
 - ✓ Consulting with workers in the supply chain to understand conditions and wellbeing.
 - ✓ Benchmarking grievance mechanism approaches.
 - ✓ Delivering in-person technical workshops to suppliers across the Indian sub-continent.
 - ✓ Presenting a webinar to Japanese suppliers on antimicrobial resistance in Japanese.

Interview

Tanya Murphy, Co-lead of the Human Rights Topic Team, discusses the value and impact of collaboration within the PSCI. Human Rights is one of the PSCI Principles and an area of growing regulatory requirement and stakeholder interest for Member companies.

What is the benefit of working collaboratively to tackle human rights topics?

The PSCI's pre-competitive environment supports Members to collectively operationalize these principles within their organizations, including through supplier engagement. It also enables Members to engage on healthcare-specific human rights issues in the supply chain—an area that may not be covered in other human rights networks and which is particularly valuable given the supply chain structures and human rights challenges faced by Member companies.

→ **We have complex and interconnected supply chains within the industry. Collaborating through PSCI helps us cut duplication, align on standards, and create real leverage that no company could achieve alone.**

Tanya Murphy

Associate Director of Compliance, AstraZeneca

How does the PSCI Human Rights Topic Team enable this?

The Team is an active, Member-led forum that provides a space to share insights, challenges, and good practices related to respecting human rights in the supply chain. Together, we have prioritized three areas to focus our efforts: 1) strengthening due diligence practices, 2) building understanding and capabilities amongst suppliers, and 3) responding to legislative developments, while also exploring new opportunities for peer-to-peer learning.

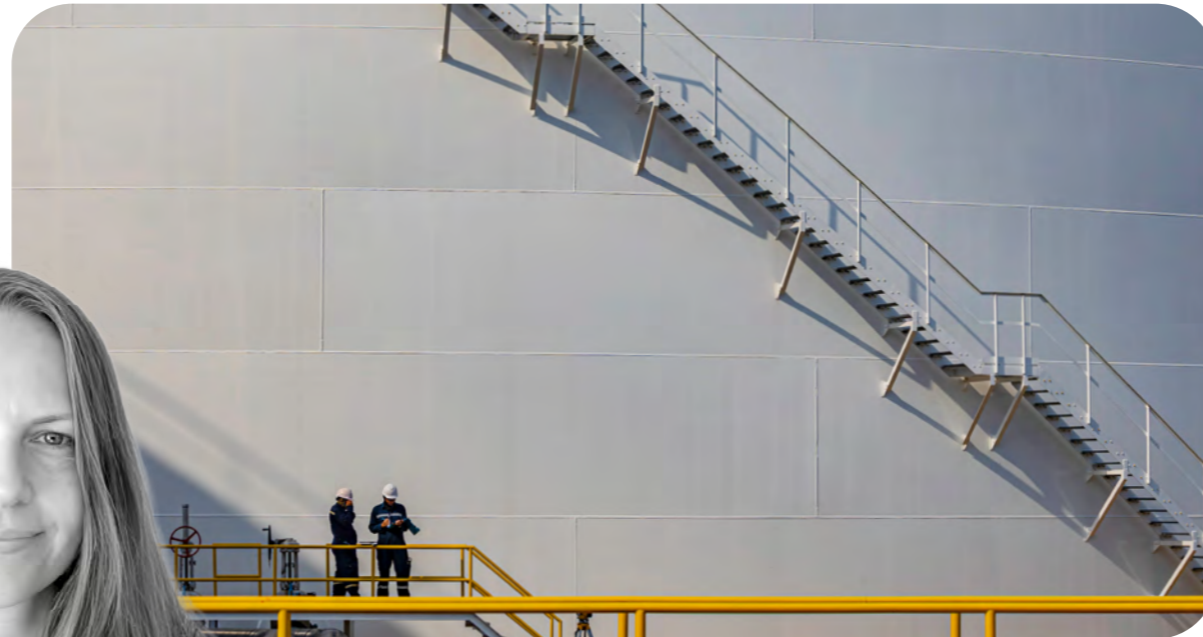
What are some examples of projects you've been able to collaborate on?

The Worker Voice project is a great example of how the team is piloting technology-enabled approaches to identify potential human rights impacts in the supply chain. In this project, a group of PSCI Members will deploy an anonymous survey to facilities management workers on their sites. The findings will then be aggregated by the PSCI Secretariat into a report accessible to all PSCI Members, enabling the full Membership to benefit from the insights, which can inform due diligence efforts. The aggregated findings don't single out specific supplier sites, ensuring that worker anonymity is protected and that sites can feel confident in participation.



The team also convenes a quarterly Legislation Insights session in collaboration with an external law firm, who provide their insights on a pro bono basis, to brief PSCI Members on developments in the human rights legislative landscape. This supports Member understanding and preparedness for legislative compliance.

→ **The Worker Voice project shows what collaboration can unlock: innovation, scale, and efficiency in due diligence practices that brings value to the full PSCI Membership and ultimately aims to positively impact the human rights of people in their supply chains.**



Horseshoe Crabs

Since 2023, PSCI Member companies and their internal subject matter experts have been collaborating on the topic of horseshoe crab blood and its use in the pharma and healthcare industry. Horseshoe crabs are an ancient group of crab species whose blood contains an enzyme vital to modern day human healthcare.

The blood is a bright blue color and coagulates when exposed to bacterial endotoxins, which can cause sickness or even death in humans. Pharmaceutical companies therefore use horseshoe crab blood – and the synthetic alternative – to test medicines and vaccines for safety, which is also required by a variety of regulators. Anyone who has received a vaccine has benefited from this method of testing. While the harvesting process does not require the death of the animal, the collection of the material from wild crab population raises questions and risks around animal welfare, biodiversity, and conservation; especially in Asia where the horseshoe crab populations are endangered.



The PSCI's position*

- ✓ Protect all endangered species: no further collection of TAL (*Tachypleus Amebocyte Lysate*)
- ✓ Minimize the requirements for naturally-derived testing materials
- ✓ Understand the animal welfare and conservation position

The PSCI's commitments

- ✓ Monitor and review Members' approach and report it on an anonymized basis
- ✓ Engage with others to learn and develop, particularly on the US conversation position

→ Responses to our survey indicate that PSCI Member companies are phasing out the use of TAL (*Tachypleus Amebocyte Lysate*) from Asian horseshoe crabs.

* The position paper is not a PSCI membership requirement, but a progressive industry position

In 2025, the Horseshoe Crab Blood working group published a [report](#) based on the commitments made in the position paper. The report details the ethical and conservation issues, provides insights into the global market for endotoxins, and identifies barriers to the adoption of different testing methods which use either reduction techniques (minimizing the quantity of horseshoe crab blood required for each test) and the synthetic alternative. Through Member inputs, the report also provides insights into the Member companies' plans and next steps for both the PSCI and others working in this ecosystem. This work was funded through the PSCI's Projects workstream, which provides investment for Member-led projects that align with our mission and aim to create deep or lasting impact for the supply chain.

Report Findings

- Responses to our survey indicate that PSCI Member companies are phasing out the use of TAL (*Tachypleus Amebocyte Lysate*) from Asian horseshoe crabs. This is likely contributing to growth in demand for LAL (*Limulus Amebocyte Lysate*) and for synthetic alternatives. With global medicines dependent on the American horseshoe crab population, a well governed business should be planning for the resilience of its supply.
- Many companies are developing positions and setting targets around TAL and LAL reduction, with a few being made publicly. We expect more companies to develop roadmaps towards reduction and even elimination, with these being put into the public domain. This will become mandatory for those in scope for the EU Corporate Sustainability Reporting Directive (CSRD).
- Test type is closely linked with horseshoe crab blood intensity. Besides cost, an important barrier to flexibility of test choice is efficiency of regulatory approval, meaning the local agencies and pharmacopoeias play a key role. Operating across global markets, the industry can move no faster than they allow. An acknowledgment of the issue and creation of innovative regulatory pathways is needed.

Practical steps to advance practices

The PSCI plans to continue its work in this area in the following ways:

- ✓ Continue to interface with organizations operating in this space, working to ensure industry alignment towards the points laid out in the position paper.
- ✓ Develop informational resources for companies procuring and/or conducting endotoxin tests.
- ✓ Provide tools to support companies in LAL reduction and TAL elimination, such as a roadmap to reduction, template wording for corporate policies and/or supplier codes, and a responsible sourcing guide.
- ✓ Launch a second Member survey and progress report to show change over time.

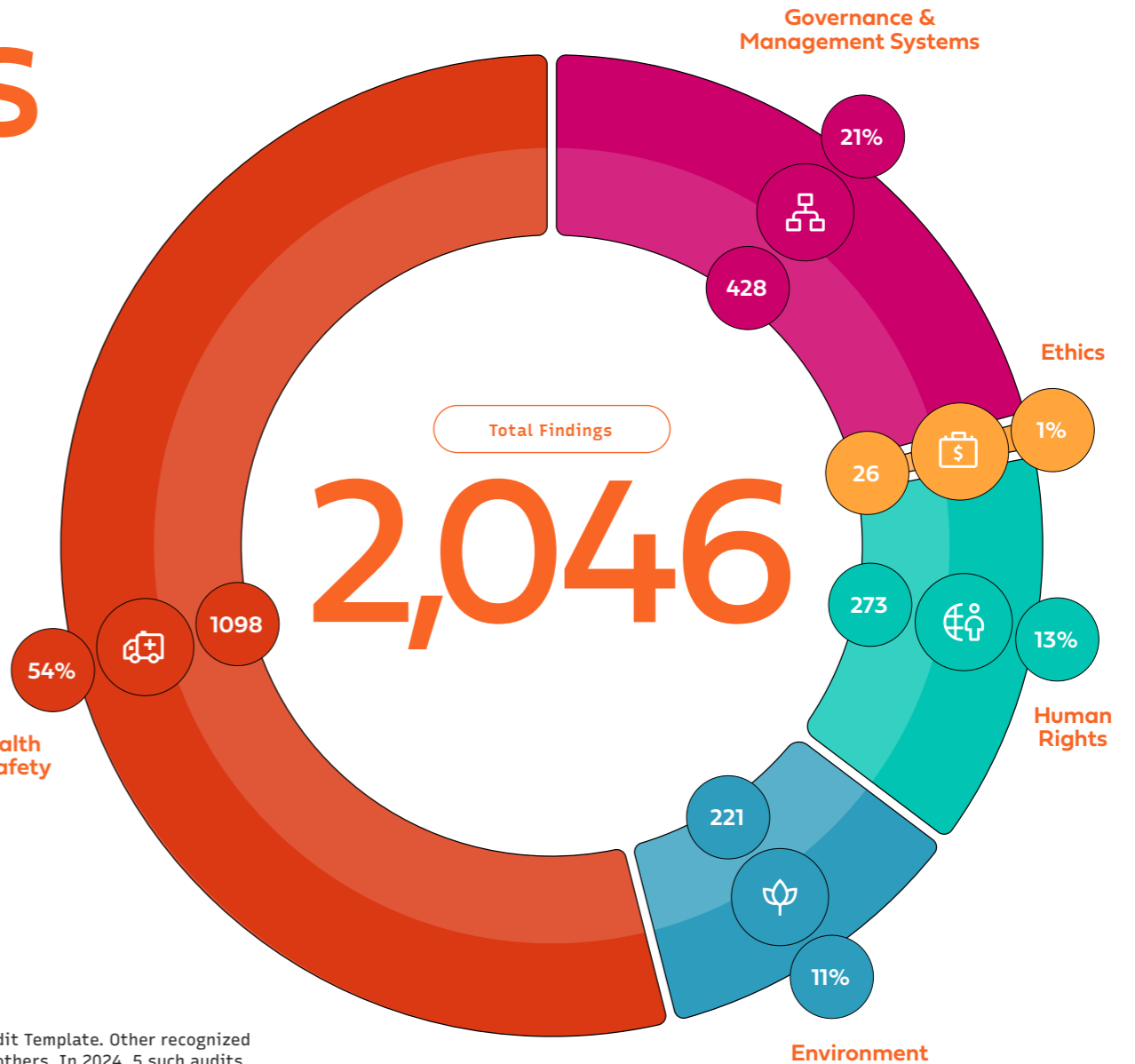


Audit Findings Analysis

The PSCI began as a way for pharmaceutical and healthcare companies to harmonize expectations for their suppliers around key topics for both sustainability, social topics including Health & Safety, and broader business resiliency.

PSCI Members collectively agreed a common approach for audits, using these Principles, and these are still foundational to our impact today. The PSCI remains a place for these experts to come together to revise and update our audit protocols, improve our processes to drive audit quality, and to use insights from the audit findings to focus capability-building efforts. To support with the latter, each year's audit findings are analyzed to identify trends, highlight improvements, and share recommendations. Overall, this analysis provides deep insight into supplier practices within the pharmaceutical and healthcare industry.

In 2024 we analyzed **2,046** findings from **228** PSCI-format audits* uploaded to the platform. More than half are related to Health & Safety, reflecting its importance and maturity as a topic. Compared with recent years, Governance & Management systems (GMS) rose as a share of total findings, reflecting a growing emphasis on risk management, supplier assessment, and incident investigation.



1,779

downloads of the report

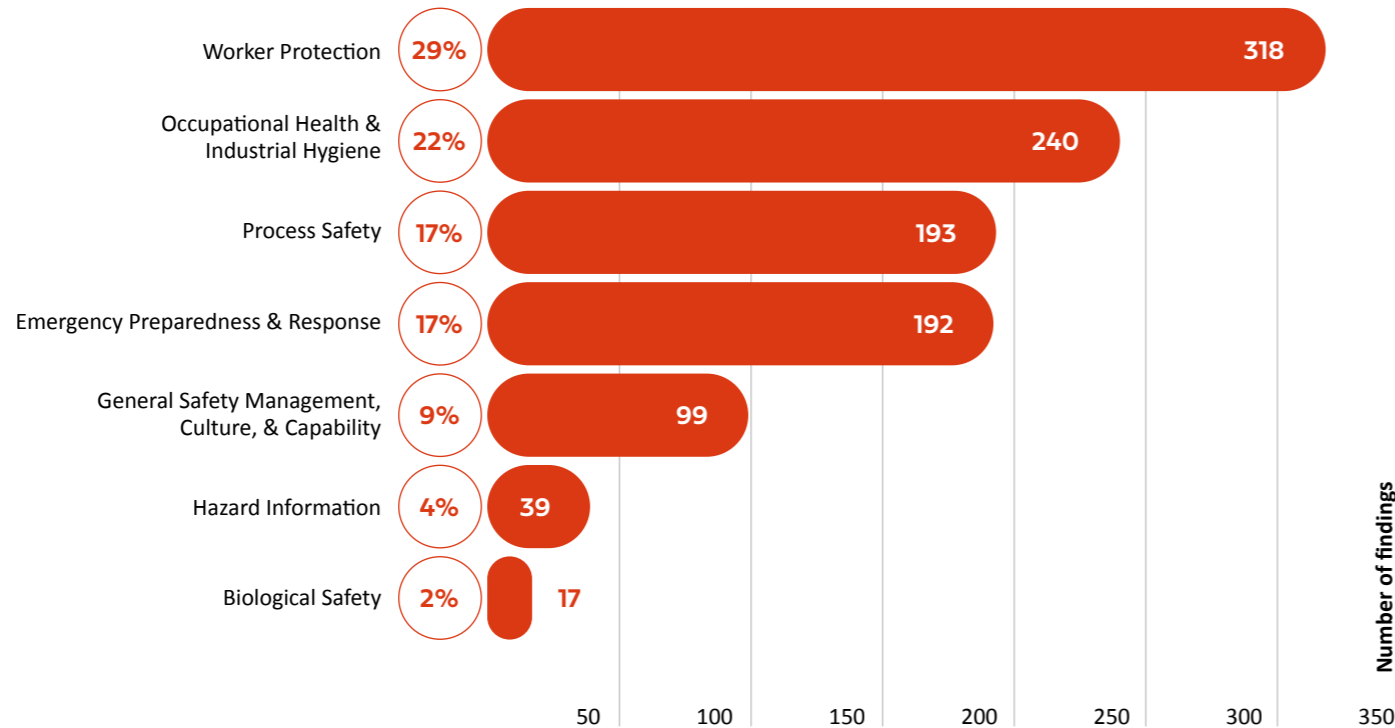
* Audits conducted according to the PSCI Audit Template. Other recognized formats include SMETA, BSCI, Tfs amongst others. In 2024, 5 such audits were uploaded to the platform.



Health & Safety

 **1098 Findings** **54%**

Health & Safety remains the largest topic area with **1,098 findings (54%)**. The most findings related to **Worker Protection, Occupational Health & Industrial Hygiene (OH & IH), Process Safety, and Emergency Preparedness & Response**.

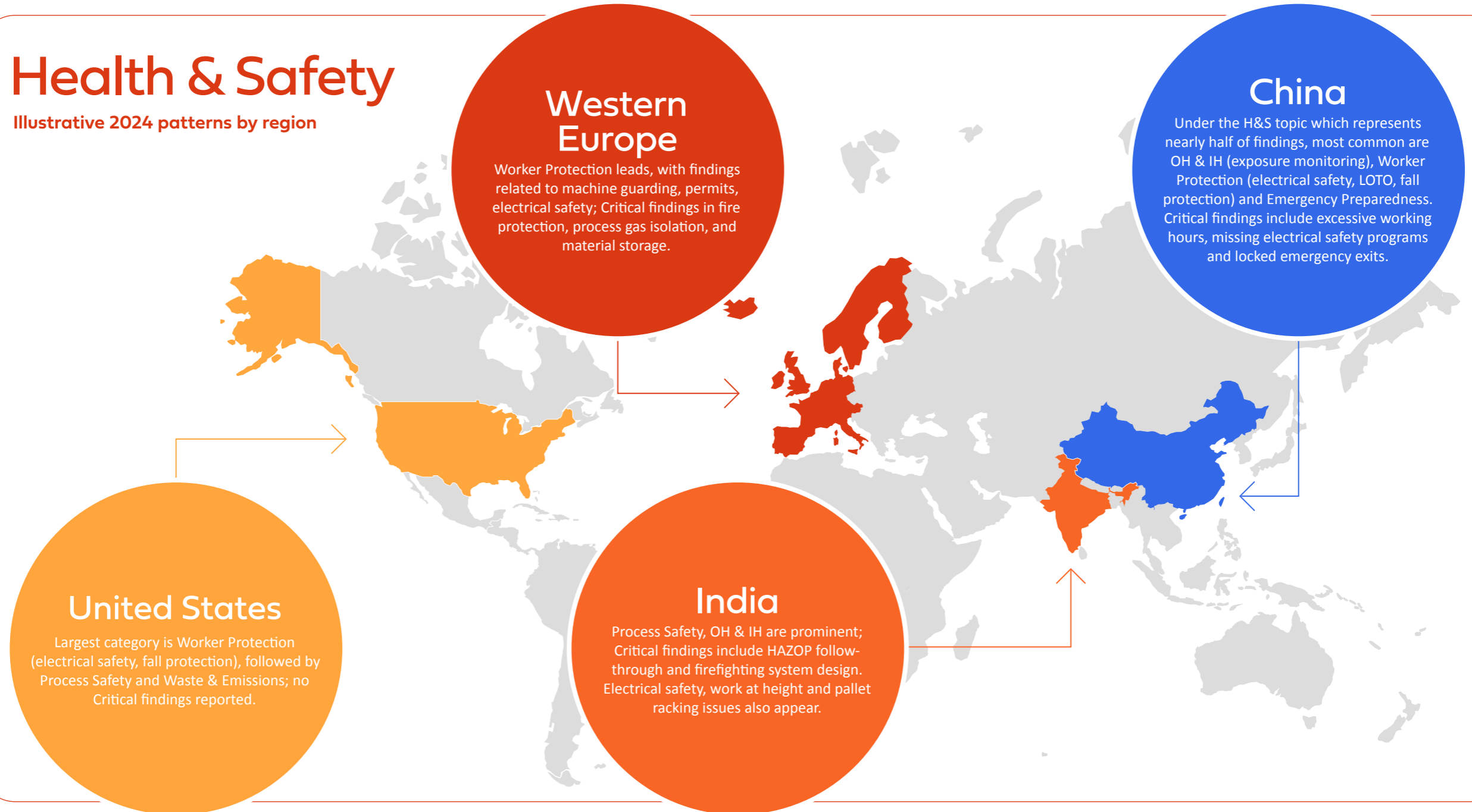


The Audit Findings Analysis helps the PSCI and our Members target capability building where it matters most, turning audit evidence into actionable insight. Our most recent report synthesized 2,046 findings from 228 audits — as well as a five-year analysis considering ~7,700 findings — which allows us to spot systemic challenges and address them collaboratively. Our focus is on measurable improvements. For example: reductions in high-severity findings (especially in Health & Safety), stronger Business Continuity Planning (BCP) maturity, developing Pharmaceuticals in the Environment (PiE) management, and sustained progress on labor rights. The trend analysis enhances our ability to monitor momentum over time and to adapt our resources to emerging risks — supporting safer work, protected rights, and reduced environmental impact throughout the value chain. The PSCI publishes this analysis for the benefit of the industry as a whole, supporting advancement in practices through focusing efforts onto the top issues per topic area and region. PSCI Members can also access a more detailed version of the analysis, which also feeds into the PSCI’s programming across the year.



Health & Safety

Illustrative 2024 patterns by region



Collaborations & Partnerships



CPHI and the Sustainability Collective

PSCI is an Official Sustainability Partner to CPHI, a global pharmaceutical supply chain networking platform and one of the world's largest pharmaceutical trade shows. By bringing together industry groups and professionals, CPHI facilitates collaboration and innovation across the industry, which supports PSCI's vision and mission in driving industry change and promoting responsible supply chain management.

The PSCI continued to engage with industry peers at CPHI conferences throughout 2025. This included our fourth year exhibiting at CPHI Frankfurt, which welcomed 66,000 visitors over three days. The PSCI had a dedicated stand to engage with Members, Supplier Partners, and others across the industry, in addition to speaking on panels related to decarbonization and supply chain resilience.



Our China Regional Team presented at CPHI China on waste and emissions, as well as joining the judging panel for the Sustainability & ESG awards. Meanwhile, the India Regional team engaged with CPHI India for the second time.

The need for greater ongoing collaboration and coordination on sustainability is consistently highlighted at CPHI events. As a result, the CPHI Sustainability Collective was launched, which the PSCI joined in 2024. The collective brings together organizations across the pharmaceutical industry that share how to promote industry best practices, foster collaboration, and drive progress within the sustainability ecosystem.



The PSCI has been an invaluable partner to the CPHI and the Sustainability Collective since its inception, providing ideas and fostering a collaborative environment that drives industry change. Through active participation in our Steering Committee and consistent engagement across our global CPHI event portfolio, PSCI Members have helped shape initiatives that connect stakeholders from within pharmaceutical communities. This partnership exemplifies the power of working collaboratively—bringing together diverse stakeholders to create beneficial touchpoints, share critical knowledge, and advance sustainable practices throughout the pharmaceutical supply chain. As we look to the future, we remain committed to connecting the dots between best practice, innovation and implementation, and delivering value that strengthens the entire industry's sustainability journey.

Silvia Forroova, Director – Partnerships & Sustainability, Informa Markets



CPHI Frankfurt

4th

year exhibiting at CPHI Frankfurt

60+

meetings with Members, Supplier Partners, and industry peers

99

visitors to the PSCI stand

4

presentations by PSCI Members on decarbonization, supply chain resilience, and the power of partnerships

→ The PSCI continued to engage with industry peers at CPHI conferences throughout 2025.



Energize

ENDORSED BY:
 PSCI

Powered by Schneider Electric's Zeigo

Energize

The Energize program is a supply chain renewables initiative designed and delivered by Schneider Electric Advisory Services and endorsed by the PSCI. The Energize program aims to increase access to renewable electricity for suppliers across the pharmaceutical and healthcare value chain. The program has grown to 26 global pharmaceutical and healthcare companies working to support their suppliers to decarbonize and mitigate the overall environmental impact of the industry.

The partnership between Energize and PSCI is helping suppliers across the sector better understand how to transition to renewable electricity with confidence, clarity, and hands on support. In 2025, Energize provided more than 900 participating suppliers with access to targeted education and guidance.

Since the program's launch, Energize has also enabled 40+ companies to participate in multi buyer power purchase agreement (PPA) cohorts in the USA & Europe. To date, 12 companies have signed PPA's resulting in a combined purchase of more than 800 GWh of renewable electricity annually (avoiding 137,821* metric tons of CO₂ per annum). These multi-buyer PPA cohorts will enable new renewable capacity to be built supporting the transition to a cleaner energy system. In addition, Energize has supported the procurement of more than 180 GWh of energy attribute certificates from global markets.

137,821

metric tons of CO₂ per annum avoided

* Location-based emissions equivalency calculation for Spain where the PPA solar projects are built.





My Green Lab

The PSCI was thrilled to gain a new partnership with My Green Lab® in 2025, whose mission is to build a global culture of sustainability in the scientific community. The PSCI's endorsement of My Green Lab programs reflects a shared commitment to advancing responsible practices and reducing environmental impacts across the research supply chain. My Green Lab's Converge Supplier Initiative, which supports adoption of My Green Lab Certification for research supply chains, was endorsed by the PSCI in 2025.

The partnership with My Green Lab aligns with our impact areas of amplifying and advancing responsible practices by endorsing their program to the supplier community. In 2025, a course designed by My Green Lab was added to our digital course catalogue as part of our decarbonization curriculum and My Green Lab Certification was added to our Decarbonization Playbook for the Pharmaceutical Industry. Key focus areas of the curriculum and certification include education on the challenges of direct environmental impacts of laboratories in the biotech and pharmaceutical industry, the framework for implementing changes in the lab, an understanding of the levels of My Green Lab certification, and how the Converge Supplier Initiative is addressing Pharma's Scope 3 emissions portfolio.



The research supply chain represents a significant portion of the pharmaceutical industry's environmental footprint. This endorsement by the PSCI reinforces the power of collaborative action and positions the Converge Supplier Initiative as a proven, scalable solution for driving impact reduction on the ground in the labs across the industry.

James Connelly, CEO of My Green Lab



**Sustainable
Markets
Initiative**

The Sustainable Markets Initiative

The Sustainable Markets Initiative (SMI) Health Systems Task Force (HS TF) brings together global healthcare leaders to accelerate the transition to Net Zero health systems. The PSCI and SMI HS TF share common goals and complementary approaches, with a number of PSCI companies also in membership of the SMI HS TF. The Task Force and the PSCI's missions and methods are complementary: the SMI has a strength in senior procurement leadership engagement and developing pioneering decarbonization solutions, whilst the PSCI's direct reach into suppliers, at scale, provides a distinct and practical channel for driving on the ground impact in the value chain.

It is great to see SMI continue to expand PPAs for renewable energy solutions into Asia since its first successful cohort in 2023, complementing the success already achieved by Energize in Europe and North America. The PSCI is pleased to spotlight and amplify this opportunity across our global supplier community, which has great potential to decarbonize production.

In February 2025, the PSCI and the SMI presented side-by-side to sustainable procurement specialists at the Scope 3 Peer Group meeting on key initiatives to accelerate value chain decarbonization. In the Fall, the SMI were expert speakers at the PSCI Decarbonization Summit, speaking on clean heat and Scope 2 emissions reduction.

Finally, in 2025, the PSCI contributed to the development of SMI's supplier toolkit, helping to equip suppliers with practical resources to advance their decarbonization and wider environmental sustainability efforts. This toolkit will be published in 2026.

The PSCI and SMI will continue to further collaborate to drive greater impact at scale.

→ In the Fall, the SMI were expert speakers at the PSCI Decarbonization Summit.

Financial Report 2025

The PSCI is funded and driven by its Members. Member companies uphold the Principles in their supply chains, contribute knowledge and time to PSCI activities, and share their supplier site audits with the wider Membership. Without this in-kind support the PSCI would not function.

The PSCI’s financial income derives from the fees paid by Members (Full and Associate) and a small but growing contribution from Supplier Partners, a new category launched in 2024.

Member fees are set based on size, with Associate Members paying a 25% premium in lieu of contributing audit uploads. The aim is that all Associates transition in time to become Full Members, paying the lower fee but increasing our audit pool.

Supplier Partnership fees are set at an accessible level to encourage participation, and we expect their numbers to grow. It is wonderful to end 2025 with 22 Supplier Partners on board, each contributing their views and experiences in the supply chain. We expect revenues from this source to increase.

In 2025 we trialled our first co-funding model. The Worker Voice project was core-funded by PSCI with a group of motivated companies each making a contribution, covering a percentage of the total project cost. This worked well, and is a model we intend to use again, especially where the project benefits particular Member companies, or where the project budget outstrips PSCI’s limited resources.

Other notable activities this year included the PSCI’s first Decarbonization Summit, a virtual conference which reached over a thousand individuals from supplying companies, a suite of in-person and virtual events in both India and China, and the PSCI Member Meeting was for the first time held in China.

In 2025, total income was \$1.91m (Prior year: \$1.65m*). Ongoing operational expenditure was \$1.78m (Prior year: \$1.47m) The PSCI entered 2025 with a Net Asset position of \$0.68m resulting from accumulated prior year surpluses.

During 2025, the PSCI made a significant one-off investment in its replacement web platform, The Link 2.0, which will launch in 2026. This was funded by the Board agreeing to invest from our accumulated surplus. As the Link 2.0 is an asset, the 2025 cost of \$0.58m and the remaining costs to complete the project will be amortized and reflected in our Net Asset position over three years. The PSCI’s income is predictable and costs are controllable, but the Board’s intent is to remain under budget in 2026, returning any surplus to increase the Net Asset position over the next three years.

* PSCI’s 2024 income was reported as \$1.22m in its publicly-available Form 990, because it was recognized on a cash basis. Like-for-like fees have grown steadily over three years as membership has increased.

Supplier Partners
\$134,763

Co-funded projects
\$18,000

Membership Dues
\$1,755,028

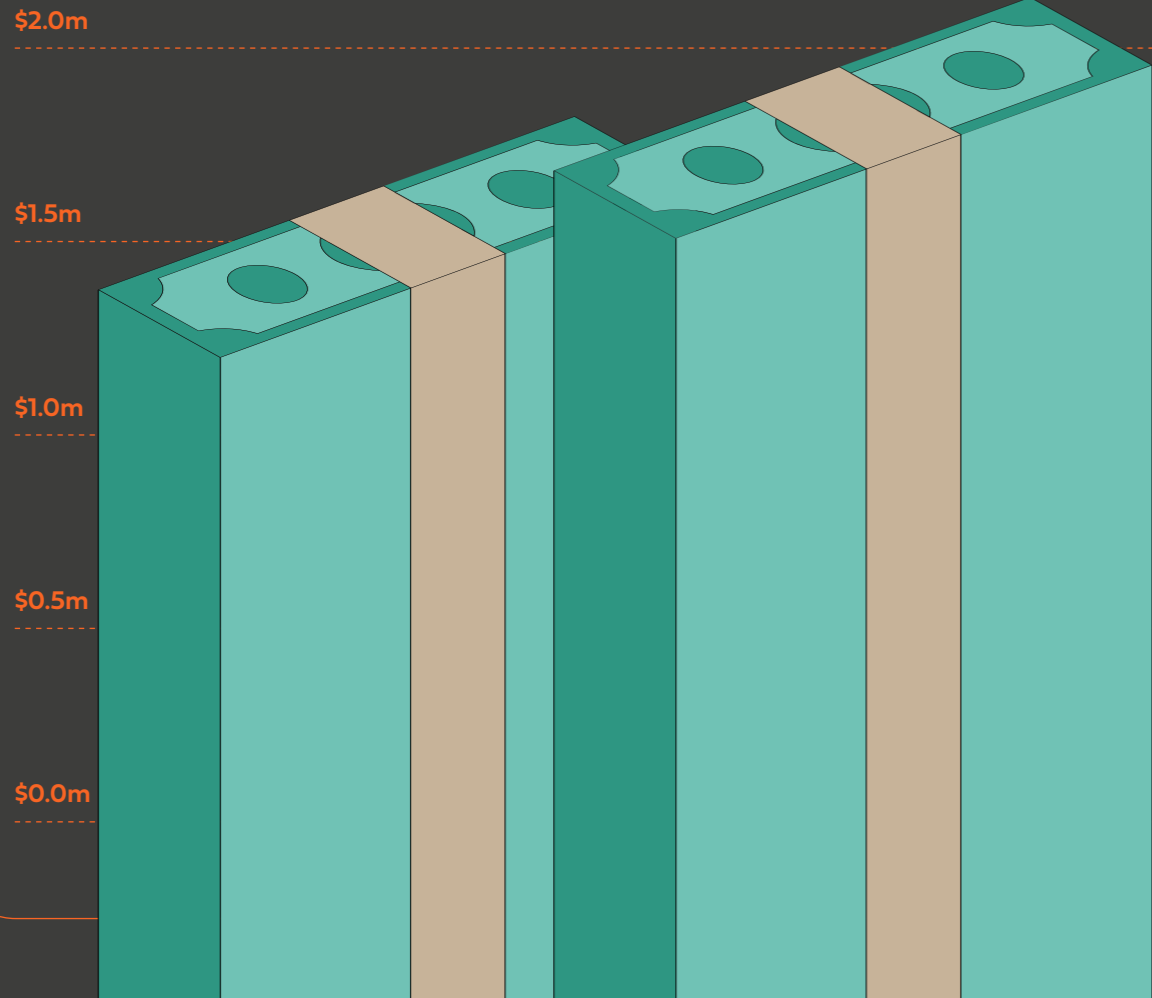


Total revenue from Membership and Supplier Partnership fees

Year ending 31st December

2024* **\$1,654,354** 2025 **\$1,907,791** +15.3%

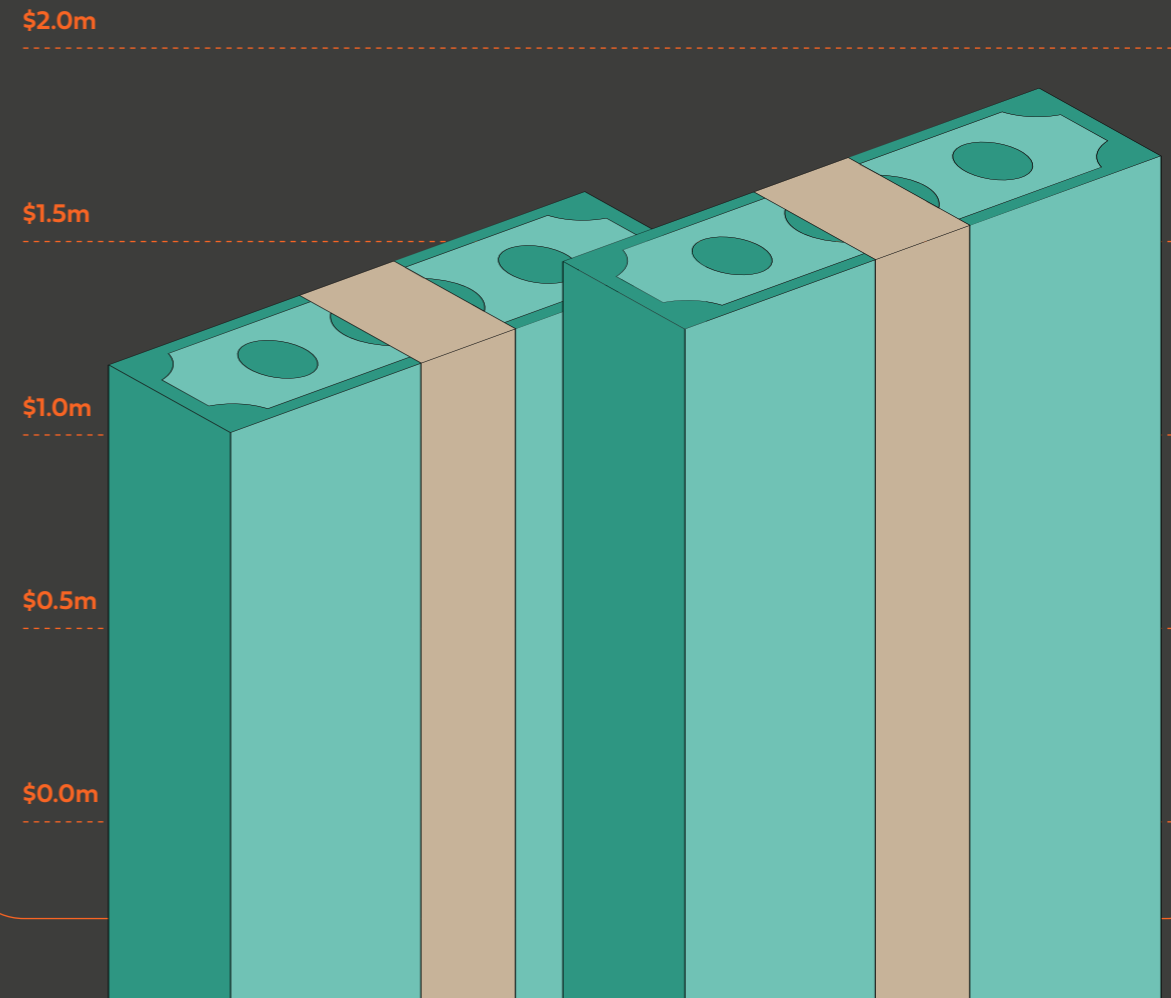
* 2024 income and expenditure restated due to a change in accounting basis.



Total operating expenses

Year ending 31st December

2024* **\$1,471,810** 2025 **\$1,777,564** +20.8%



Vice Chair's Close

Building on strong foundations, we enter 2026 with exciting plans



→ 2026 PSCI Chair

Lucy Latham

Sandoz

In 2026 we launch our much-anticipated new online platform. Our previous tool served us well but was developed quickly and with a modest budget. We have developed a future-forward tool with improved functionality in key areas. Notably we have taken the opportunity to move the PSCI audit process fully online, enabling us to capture more audits and more insights from their findings. I am passionate about data transparency for the industry and looking forward to the benefits this shift will create. That said, it is a significant change and I thank the individuals involved. Not only those who have led the process - Dorota Wiacek-Trojanowska of Roche, Rincy Joseph of Bayer, and Birgit Skuballa of Bayer - but also our broader community of Members, suppliers, and Auditors, many of whom must adapt their processes. It is very much appreciated and will be worth it!

Another important workstream is our update to the PSCI Principles for Responsible Supply Chain Management. They are the foundational document of the PSCI, setting out our high-level expectations of both Members and suppliers, and were agreed amongst our founding companies in 2006. The Principles still guide our activities, underpinning our Audit Protocol, Maturity Models, and Learning Plans. The Principles wording is reviewed every three years, primarily by subject matter experts within the Membership (via our Topic Teams), alongside the perspectives of our Supplier Partners, Auditors, and other experts. We will formally agree the updated Principles in Fall 2026.



The PSCI has unparalleled ability to bring together subject matter experts in a collaborative, non-competitive space.

Alongside, our community of Supplier Partners is growing rapidly. It is heartening to work with mission-aligned suppliers and work together on defining and amplifying best practices. They are a key consultation group and their experiences and opinions increasingly help us to set the right course, particularly around engaging the wider supply chain. It is humbling to see their sustainability efforts and gives me confidence that this industry can really achieve excellence in responsible supply chain management. Supplier Partners, thank you for joining us!

The PSCI has unparalleled ability to bring together subject matter experts in a collaborative, non-competitive space. Our Topic Teams are the intellect and driving force behind our supplier capability-building program and key resources such as the Maturity Models, Learning Plans, the content at our webinars and conferences, and our interactive online learning courses. These Teams are an asset and led by Members; they really are a credit to the PSCI.

In particular, decarbonizing pharma supply is a priority for many Members. Following incredible engagement in 2025, we have plans to support companies achieve their goals. I look forward to seeing these come to fruition under the able leadership of our Decarbonization Topic Team leads, Bridget Ferrari of Takeda and Devin Carsdale of BMS, and not forgetting the brilliant individuals who make up the wider team.

Perhaps my most important thanks, though, go to the PSCI Past Chair and Vice Chair who will jointly cover my position as Chair during a period of absence, as I welcome the arrival of my second child. I know that Rob Williams of AstraZeneca and Peter Nestor of Novartis will ably guide PSCI, along with the wider PSCI Board and Committee leads. This group bring tremendous experience and wisdom to our organization, I know the PSCI is in safe hands.

Join us to build responsible supply chains

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 PSCI

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