PSCI STRATEGY, 2018-2020: REVIEW PROCESS

**Process**

- **February**
  - Member Survey
  - Benchmarking survey

- **March**
  - Member 1:1 calls
  - Gathered members’ views on existing strategy

- **April**
  - Spring workshop
  - Strategy workshop held with members

- **June**
  - Desk review
  - Materiality review looking at new legislation, media and NGO campaigns

- **July**
  - External interviews
  - 12 interviews with internal and external stakeholders

- **August**
  - Draft and review
  - Draft reviewed and approved by Board, then by members

**Lessons**

**Highlights from member consultation**
- PSCI Principles and Priority Issues still current and important
- Keep focus on India and China
- Strengthen how PSCI measures, demonstrates and communicates impact
- Develop strategic partnerships with others working in the field
- Help members engage senior and executive management in responsible supply chains

**Highlights from Spring strategy workshop**
- Seek to grow but not dramatically
- Keep emphasizing audit sharing and capability building
- Strengthen transparency and member accountability
- Consider developing a certification / stairway model for suppliers

**Materiality updates**
- The following areas have become more important:
  - AMR
  - Modern slavery
  - Business integrity

**Highlights from external interviews**
- Audit sharing is an important workstream – scale it up
- Educating suppliers is essential
- Continue to set standards for emerging topics
- Position the organisation for growth
- Increase the visibility of PSCI and its impacts
- Use the power of collaboration to go beyond Tier 1

External interviewees included: PRI, BSR, Sustainalytics, Nordea, SAI, WRI, Transparency Intl and more
VISION & PURPOSE
Our VISION is to establish and promote responsible practices that will continuously improve ethics, labor, health, safety and environmentally sustainable outcomes for our supply chains. The PURPOSE of the initiative is to bring together members to define, implement, and champion responsible supply chain practices; fair and safe work places, responsible business practices, environmental sustainability and efficiency of resources and improved supplier capability.

PRIORITY AREAS

FAIR AND SAFE WORK PLACES
- Worker protection
- Process safety
- Fair treatment
- Wages, benefits and working hours
- Freely chosen employment

RESPONSIBLE BUSINESS PRACTICE
- Business integrity and fair competition
- Bribery and corruption
- Data privacy
- Data security

ENVIRONMENTAL SUSTAINABILITY AND EFFICIENCY OF RESOURCES
- Water use and management
- Waste management
- Pharmaceuticals in the Environment
- Anti-Microbial Resistance
- Energy use and carbon footprint

PIVOTAL PERFORMANCE AREAS

ENVIRONMENTAL SUSTAINABILITY AND EFFICIENCY OF RESOURCES
- Water use and management
- Waste management
- Pharmaceuticals in the Environment
- Anti-Microbial Resistance
- Energy use and carbon footprint

SUPPLIER CAPABILITY
- Sustainable sourcing and traceability
- Transparency and disclosure
- Business resilience
- Management capability and systems

STATEGIC PILLARS AND OBJECTIVES

1. LEADERSHIP
- Promote the PSCI Principles, audit and methodology to define the industry’s expectations
- Secure a higher profile for PSCI within member companies
- Lay the foundations for becoming the one-stop-shop for responsible procurement in Pharma

2. A COMMUNITY OF IMPROVING SUPPLIERS
- Deliver excellence in supplier capability building
- Enhance collaboration among members and suppliers
- Explore a supplier recognition model

3. PARTNERING
- Build external partnerships
- Build PSCI’s external profile and visibility
- Offer PSCI as the delivery partner for other sustainability objectives

GOVERNING WITH TRANSPARENCY AND MANAGING WITH ACCOUNTABILITY
- Allow greater diversity of members
- Be a healthy, growing, trusted organisation
- Develop ways to measure PSCI’s impact