

PSCI MEMBER WELCOME PACK

June 2023



CONTENTS

<u>CHAPTER 1. ABOUT THIS DOCUMENT</u> <u>2</u>	
THE PSCI MEMBER WELCOME PACK	
DOCUMENT HISTORY	
ABOUT THE PHARMACEUTICAL SUPPLY CHAIN INITIATIVE	
CHAPTER 2. WELCOME LETTER	
CHAPTER 3. WHO WE ARE	
CHAPTER 4. HOW WE WORK	
<u>CHAPTER 5. WHAT WE DO</u>	
THE PRINCIPLES	
AUDIT COLLABORATION	
SUPPORTING SUPPLIERS	
CHAPTER 6. BENEFITS OF MEMBERSHIP5	
CHAPTER 7. RESPONSIBILITIES OF MEMBERS	
CHAPTER 8. GETTING INVOLVED	
EXPLORE THE PSCI PLATFORM: THE LINK	
JOIN A WORKING COMMITTEE	
SHARE AUDITS	
ENGAGE WITH THE PSCI ON SOCIAL MEDIA	
SEND YOUR STORIES TO THE SECRETARIAT	
CHAPTER 9. KEY ORGANISATIONAL INFORMATION8	
CHAPTER 10. NEW MEMBER CHECKLIST8	
CHAPTER 11. KEY CONTACTS	



CHAPTER 1. ABOUT THIS DOCUMENT

THE PSCI MEMBER WELCOME PACK

The **PSCI MEMBER WELCOME PACK** signposts our new members to important documents and resources and gives advice on how to fully integrate your company in the organization.

DOCUMENT HISTORY

Version	Date	Status/Changes
1	Jan 2016	First version
2	June 2016	Update
3	Nov 2016	Update
4	May 2018	Update
5	April 2019	Update
6	June 2019	Update
7	April 2020	Update
8	Dec 2021	Update
9	March 2022	Update
10	June 2023	Update

ABOUT THE PHARMACEUTICAL SUPPLY CHAIN INITIATIVE

The Pharmaceutical Supply Chain Initiative (PSCI) is the top membership body driving excellence in safety, environmental, and social outcomes across the global pharmaceutical and healthcare supply chain. Through us, our members collaborate with peers, support suppliers to mature their practices, and save time and money by using our shared audit platform.

Find out more on the PSCI website: <u>http://pscinitiative.org/home</u>





CHAPTER 2. WELCOME LETTER

Dear Colleague,

We are delighted to welcome you to the Pharmaceutical Supply Chain Initiative.

Our vision is for excellence in safety, environmental, and social outcomes for the whole of the global pharmaceutical and healthcare supply chain.

Our purpose is to bring together members to define, establish, and promote responsible supply chain practices, human rights, environmental sustainability, and responsible business.

You are now part of a community committed to promoting responsible supply chains and better business conditions.

As a member company, and an individual, we hope that you will be an active participant in the PSCI and help shape the initiative. We have seen that collectively, PSCI members can drive complex, global change more effectively than any one organization alone.

The community you are joining shares knowledge and expertise, supports supplier improvement, and acts as a voice for the industry.

In this welcome pack you will find:

- An introduction to who we are and how we work
- An introduction to what we do
- Member benefits
- Member responsibilities
- How to get involved
- Where to find key documents and resources
- Your new member checklist
- Key contacts

We are excited about the future of the initiative and are deeply committed to promoting responsible supply chain management and better business conditions across the global industry. The PSCI Board, membership, and Secretariat look forward to working with you in the future.

If you have any questions, please do not hesitate to contact the PSCI Secretariat at: info@PSCInitiative.org

Yours faithfully,

The PSCI Board

Pharmaceutical Supply Chain Initiative www.PSCInitiative.org @PSCInitiative



CHAPTER 3. WHO WE ARE

The PSCI is open to all companies who manufacture medical products OR provide materials to the pharmaceutical/biotech/medical devices industries. The basic principle is inclusivity – the PSCI welcomes all companies that are serious about enhancing sustainability standards in the pharmaceutical and medical products supply chain.

PSCI has <u>two</u> types of membership – Full membership and Associate membership. **Full membership** is designed for companies that wish to actively participate and take part in the PSCI Shared Audit program. Full membership is a great way to demonstrate leadership. **Associate membership** allows companies to get involved in the PSCI without committing to active participation and audit sharing straight away (though you are welcome to do so on a voluntary basis). Associate membership is a pathway to Full membership.

CHAPTER 4. HOW WE WORK

We have 75* member companies and are governed by an elected Board of Directors as our primary decision-making body. The Board establishes Working Committees and appoints their leads. The Board is elected by the member companies, who are also invited to participate in the Working Committees. Feeding into the activities of the Working Committees are several Topic Teams focused on specific topics or workstreams. These teams are also led by representatives from member organizations. Finally, there are three Regional Teams based in China, India and Latin America, that focus on issues affecting the region.

The Board is composed of seven individuals (Chair, Vice Chair, Secretary, Secretary-Designate, Treasurer, Treasurer-Designate, and Past Chair). No more than one Associate member can serve on the Board at any time.

Day-to-day, the PSCI is supported by a Secretariat, which assists the Board, Working Committees, and Topic and Regional Teams to achieve their objectives.

The full list of Board members and Committee & Team leads can be found on the PSCI website at: http://pscinitiative.org/team

* The number of member companies as of June 2023.

CHAPTER 5. WHAT WE DO

THE PRINCIPLES

The PSCI created the Pharmaceutical Industry Principles for Responsible Supply Chain Management (the Principles), a ground-breaking piece of work, to articulate what the industry expects from suppliers. For more information on the Principles, please visit the PSCI website: <u>The Principles</u>.



AUDIT COLLABORATION

The PSCI audit sharing program enables suppliers to upload and share audits with PSCI members via a web-based platform. This means fewer audits for each supplier and efficiency gains for our members. For more information on the audit sharing program please refer to the PSCI website: <u>Audit</u> <u>collaboration</u> and review the <u>Audit Program Guidance</u> document.

Please refer to the <u>Audit Sharing Platform Training Video</u> and <u>User Guide*</u> for guidance on how to share audits through the PSCI Audit Sharing Platform.

*Note: You will only be able to access the training video once we have issued your member login to the website (more details in Chapter 10). To view the video, login to the website, return here and click on the link.

SUPPORTING SUPPLIERS

The aim of our capability building program is to build supplier knowledge and expertise so that everyone involved in the pharmaceutical value chain can identify and solve social, environmental, and ethical issues for themselves. The PSCI Maturity Models offer a structured development plan for suppliers, and the PSCI Learning Plans, webinars, and supplier conferences offer high standard training to develop EHS & social practices. For more information on the capability building program, please refer to the PSCI website <u>Supporting Suppliers</u>.

CHAPTER 6. BENEFITS OF MEMBERSHIP

Membership unlocks several important benefits, which are the same for both Full and Associate members:

- Learn from the leaders: Use our established guidelines and resources on ethics, human rights & labor, health & safety, environment, and management systems to create and improve your company's responsible supply chain practices. Collaborate to learn from peers at different stages of maturity, with varying size of operations and responsible supply chain practices.
- Improve efficiency: Audit teams can save time and money by using the PSCI common supplier assessment templates, accessing shared audits on our platform, and working with preapproved audit firms.
- **Support improvement**: Access cost-effective training and support for your supplier base, helping to drive continuous improvement for current and future suppliers.
- Move the industry: The PSCI is a member-led, effectively governed, and influential in the sector, speaking with one voice on key supply chain issues for the industry.
- Enhance your reputation: Demonstrate your company's leadership and commitment to responsible supply chain practices through PSCI membership.



CHAPTER 7. RESPONSIBILITIES OF MEMBERS

Members have the following responsibilities. Some are common to both Full and Associate members; others are differentiated.

Full members	Associate members	
Commit to the Bylaws and adhere to the Articles of Incorporation, Bylaws, Principles, Membership Agreement and Anti-Trust Policy*		
Attend at least one of the biannual member meetings: the Spring meeting or the Annual General Meeting		
Display and publicly commit to our Principles in key public and supplier-facing documents or website		
Pay annual membership fees according to the PSCI Membership Fee Structure, below		
Full members	Associate members	
Must upload and share at least five supplier audits or alternative expectation as determined by the PSCI Board	May upload and/or share supplier audits / audits of own sites	
Must participate in at least one Committee or Topic TeamMay participate in Committees or Topic Tea		
Please note: Full member fees are 25% lower than Associate, in reflection of the important additional commitment that Full members make to advancing responsible supply chain practices through audit sharing and contributing to PSCI's various working groups		

* Please go to Chapter 9 for links to these documents.

All members are invited and encouraged to join working groups, attend biannual meetings, and run for a seat on the Board. Full members can participate on the Board in any capacity, Associate members in non-Chair positions.

<u>Membership fees</u> are differentiated based on the size of the member company. Size is determined using annual company revenue. Membership fees are paid annually per calendar year. Fee levels are set by the Board and agreed by the membership.

Annual Revenue	Annual Fee - Full members
\$30bn and above	\$32,500
\$20bn - \$30bn	\$27,500
\$10bn - \$20bn	\$22,000
\$5bn - \$10bn	\$19,250
\$2bn - \$5bn	\$16,500
\$1bn - \$2bn	\$13,750
\$500m - \$1bn	\$11,000
Less than \$500m	\$5,500

Associate members pay a 25% premium on top of the fees outlined above. Full members who do not meet their expectations may be downgraded to Associate membership.



CHAPTER 8. GETTING INVOLVED

EXPLORE THE PSCI PLATFORM: THE LINK

Once you are onboarded, you will have received your login details for The Link, the online PSCI platform. This platform serves for the exchange between members, accessing information & resources of the Committees and Teams, registration for PSCI events and webinars, as well as access to the shared audit program, supplier information and PSCI Tools including the new Legislation Tracker. You can enable and disable email notifications on your personal page to get information relevant to you.

JOIN A WORKING COMMITTEE

At present, there are three core Committees which support the 3 PSCI modes of impact:

- <u>Audit Committee</u>: developing/reviewing the PSCI audit framework, expectations, and common tools and encouraging audit sharing.
- <u>Capability Committee</u>: dedicated to raising supplier capability to address ethical, labor, health and safety, and environmental issues.
- Operations Committee: managing PSCI operational activities such as finance review and member applications, overseeing PSCI Partnerships, and running PSCI Communications.

The PSCI has 9 Topic Teams focused on different aspects of the PSCI Principles, and 3 regional teams promoting regional requirements.

PSCI also sets up limited duration special project groups to look at specific topics, when necessary. If you would like to find out more about any of the Committees, please let the Secretariat know and we will set up a call with the relevant Committee lead or join the relevant Committee on The Link and the leads will get in touch with you.

SHARE AUDITS

All **Full members** are expected to <u>share at least five supplier audits</u> a year. The audits can be conducted by internal auditors or third parties. They can cover all sections of the PSCI Principles <u>(Ethics, Labor & Human Rights, Environmental Protection, Health & Safety and Management Systems</u>) or be focused on one area (e.g. Health, Safety and Environmental Protection).

ENGAGE WITH THE PSCI ON SOCIAL MEDIA

Follow us on Twitter <u>@PSCInitiative</u> and on LinkedIn at <u>https://www.linkedin.com/company/pscinitiative/</u> Join the conversation, share information, and experience, and help broadcast the PSCI.

SEND YOUR STORIES TO THE SECRETARIAT

We have various communications channels to showcase member stories: The Link, our newsletter and via our socials. If you would like to share a story of success or an update, please send it to the <u>Secretariat</u>.



CHAPTER 9. KEY ORGANISATIONAL INFORMATION

Title	Link
PSCI Antitrust Policy	<u>Link</u>
PSCI Audit Program Guidance	<u>Link</u>
PSCI Audit Sharing Platform User Guide	<u>Link</u>
PSCI Audit Sharing Platform Training Video	<u>Link</u>
PSCI Membership Fee Structure	<u>Link</u>
PSCI Overview Presentation	<u>Link</u>
PSCI Principles	<u>Link</u>
PSCI Annual Report 2022	<u>Link</u>
PSCI By-Laws	<u>Link</u>
PSCI Standard Operating Procedures	<u>Link</u>
PSCI Strategy 2020-23	<u>Link</u>

For further resources, including supplier educational materials, please visit the website resources page at: <u>http://pscinitiative.org/resources</u>

CHAPTER 10. NEW MEMBER CHECKLIST

#	Name	Task	Check box
1	Overview presentation	This deck is for you to share internally with your colleagues. It outlines the PSCI's objectives and has proven to be a useful tool for communicating what the PSCI does.	
2	Membership agreement	Please review and confirm your acceptance, for the secretariat to send via docusign for signing.	
3	Your company logo	Please send your company logo, in .png format, to the Secretariat so that we can add it to the <u>members page</u> on the website.	
4	Confirm your contacts	We suggest that you initially involve three individuals from your company, a lead contact and two others. Please share the name, email, phone number, job title and country of residence.	
5	Accessing the Link	The Secretariat will send you login details to the PSCI Platform, the Link. Once received, please login here and change your password, the instruction will be in the email.	



6	Personal onboarding call	Please liaise with the Secretariat to set up your onboarding call.	
7	Confirm your fees & invoicing details	To calculate your fees, please provide your most recent annual revenue (with the source). Fees are prorated from your membership start date. Please provide the following for invoicing: - Address for invoicing, including payee name - PO number if applicable (please indicate if a quotation will be required) - Relevant email for invoicing if not the lead contact Please note that the PSCI does not accept cheque payments. The PSCI has a 90-day payment term.	
8	Communications	Please send a short quote to the Secretariat on why you have joined the PSCI for our newsletter. Please let us know if you are interested in a shared social media announcement.	
9	Join a Working Committee	Please let us know which Committee or Topic Teams you would like to join, and an introduction will be made to the leads and an invitation sent to your calendar.	



CHAPTER 11. KEY CONTACTS

If you have any questions, please do not hesitate to contact the PSCI Secretariat at: info@PSCInitiative.org

General

Hazel Rowley: +44 (0) 7587 076059, <u>hazel.rowley@carnstone.com</u> Rosie Towe: <u>rosie.towe@carnstone.com</u>

Audit Committee Blake Zheng: <u>blake.zheng@carnstone.com</u>

Capability Committee Marie Pillon: marie.pillon@carnstone.com

Operations Committee

Hazel Rowley: <u>hazel.rowley@carnstone.com</u> Marie Pillon: <u>marie.pillon@carnstone.com</u>

The PSCI Secretariat is provided by Carnstone Partners Ltd.

Carnstone Partners Ltd is an independent management consultancy, specializing in corporate responsibility and sustainability, with a long track record in running industry groups.

