

**ACHIEVING
MILESTONES**

ANNUAL REPORT 2019

PHARMACEUTICAL SUPPLY CHAIN INITIATIVE



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OUR VISION

TO ESTABLISH AND
PROMOTE RESPONSIBLE
PRACTICES THAT WILL
CONTINUOUSLY IMPROVE
ETHICS, LABOR,
HEALTH, SAFETY AND
ENVIRONMENTALLY
SUSTAINABLE
OUTCOMES FOR
OUR SUPPLY CHAINS

ACHIEVING MILESTONES



2019 WAS A YEAR OF GROWTH AND INNOVATION FOR PSCI.

My year as Chair of the PSCI has been extremely rewarding professionally and I truly enjoyed the experience personally. 2019 was a great year for PSCI. We hit some major **milestones** and continued to grow, reaching a total of 40 members. And we are still growing in 2020; you can find the latest list on our website.

We established our fifth Working Committee, the **Partnerships** Committee with a focus on India and China. Developing the PSCI's presence in these two markets is a passion of mine, and I feel very proud of our achievements. We now have ongoing partnerships with two Chinese trade associations, sharing with their members the work of the PSCI and encouraging them to assess for themselves how they measure up against our Principles (see page 6). In India we are in the final stages of actively developing relationships with two important national partners. Our **supplier capability building** team repeated our successful supplier conferences in Hangzhou, China and Hyderabad, India, interacting with over 400 supplier delegates face-to-face in local knowledge and skill-building sessions. Thank you to everyone involved in this endeavour.

Our shared audit programme hit 392 audits and 435 Self-Assessment Questionnaires (SAQs) now live on our platform. This year, these audits found and addressed 848 non-compliances and by mining this data set we can better set we can better understand the issues challenging our suppliers.

In order to increase our reach through improved **communication and collaboration** we successfully launched a new online member community platform – The Link – to give our member representatives a stronger voice, enabling faster and easier sharing of resources.

In this report you will find more information on the recent revisions of our **PSCI Principles**, our inspiring face-to-face meetings in Paris and Boston, and our growing online presence; and be introduced to our valuable Advisory Panel.

I have to emphasize again how much pleasure I have taken Chairing the organization. Our Board, Working Committees and Advisory Panel have each been **inspiring and engaging**; I have developed new skills and contributed actively to the whole industry's roadmap towards the most responsible supply chain practices. With our supportive Secretariat team firmly established a Board role is manageable and I would encourage any colleague to consider it.

Finally, I'm grateful for the support of the talented people I worked alongside this year and I wish our incoming Chair, Caroline O'Brien, a successful 2020.

GABRIELE HARTTUNG

CHAIR OF THE PSCI DURING 2019

Global Head of Human Rights & Third Party Risk Management, Novartis

'DEVELOPING THE PSCI'S PRESENCE IN CHINA AND INDIA WAS A PERSONAL PRIORITY DURING MY TENURE AS CHAIR, AND I WAS VERY PLEASED TO SEE IT PROGRESS SO EFFECTIVELY.'

**PSCI GREW, WITH
6 MORE MEMBERS
122 MORE AUDITS**

AND

**210 MORE SAQs
ON THE SHARED
PLATFORM**

15

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**SUB-TEAMS
ADVANCING PSCI
ACTIVITIES ON A
RANGE OF IMPORTANT
TOPICS**

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**PSCI
PRINCIPLES**



**REVIEWED AND
REFRESHED, REFLECTING
IMPORTANT TOPICS SUCH
AS HUMAN RIGHTS**



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**STEADY GROWTH IN
AUDITS AND SAQs ON
OUR SHARING PLATFORM**

**with face-to-face auditor training
and updated online audit tools.**

2019 AT A GLANCE

WE HAD OVER

1,000 CAPABILITY-BUILDING

INTERACTIONS WITH SUPPLIERS, ALL OFFERED FREE-OF-CHARGE:

Over 400 representatives from suppliers attended conferences held in India and China

Over 400 attended seven topic-specific webinars

200 have completed our e-learning tool helping suppliers understand the PSCI Principles

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**DRIVING GREATER
ACCOUNTABILITY
AMONGST
MEMBERS**



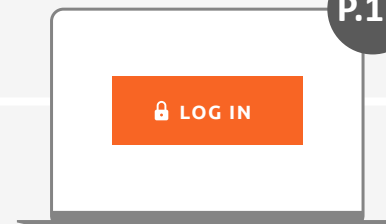
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**NEW PARTNERSHIPS
COMMITTEE
ESTABLISHED TO
INCREASE OUR
PRESENCE IN INDIA
AND CHINA**



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**LAUNCHED 'THE LINK',
OUR COMMUNICATION
AND COLLABORATION
PLATFORM FOR
MEMBERS**



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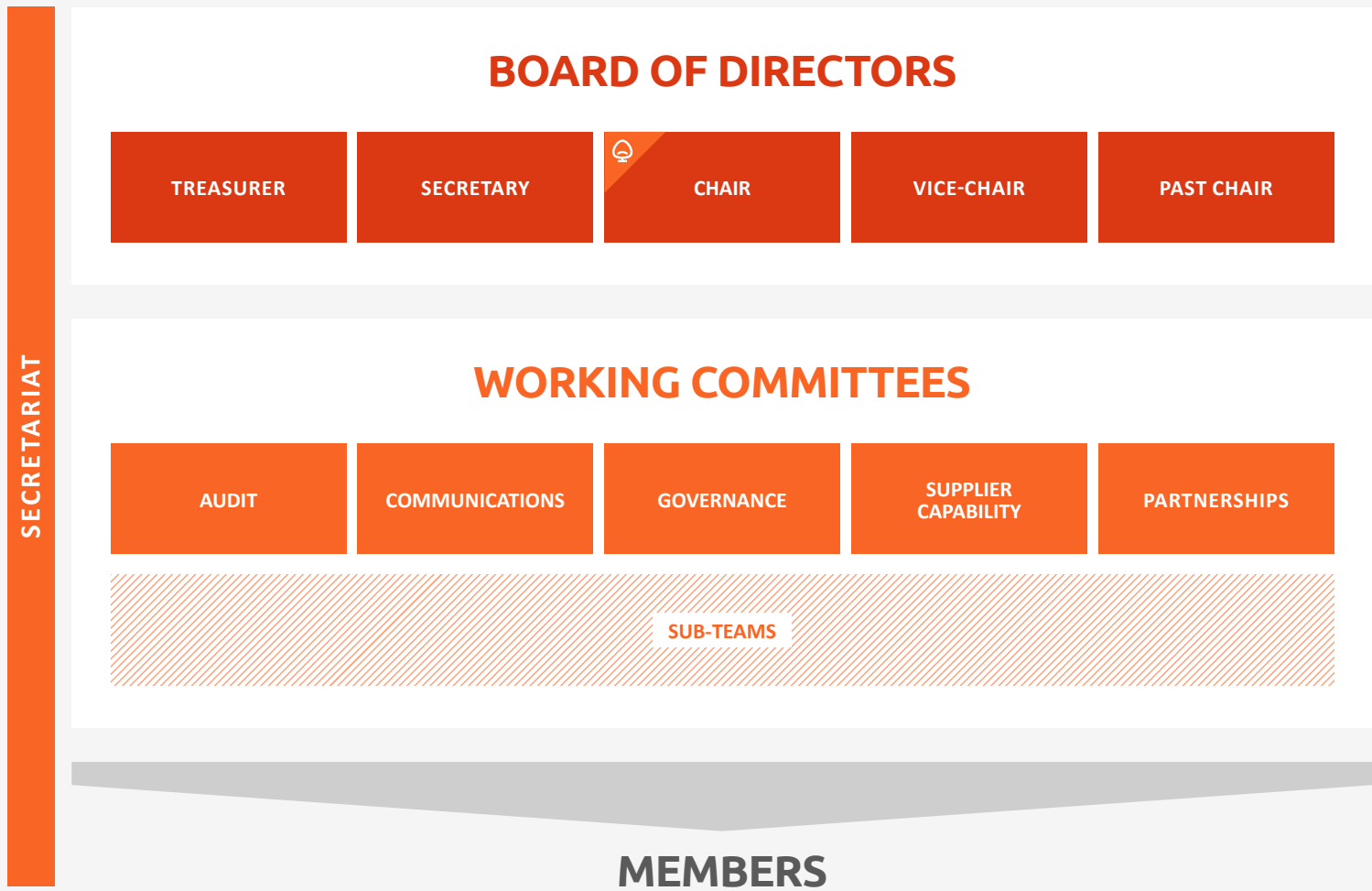
**KEY RESOURCES
MADE AVAILABLE
IN CHINESE**



- INTRODUCTORY PAMPHLET AND VIDEO
- SAQ AND AUDIT TEMPLATES

OUR STRUCTURE

The PSCI has come a long way since our founding by six member companies in 2005. Today, the PSCI is led and driven by representatives from its 40 member companies.



ADVISORY PANEL

The PSCI is a non-profit organization incorporated in the USA. We are led by an elected Board made up of representatives from member companies.

With the addition of the new Partnerships Committee in 2019, there are now five permanent Working Committees which meet monthly and drive the PSCI's projects forward.

Under these Committees sit a number of topic-specific Sub-Teams which bring together members on activities such as Audit Sharing, and specific topics such as Industrial Hygiene or Safety, and Environment.

The PSCI is advised and challenged by an Advisory Panel (page 22) of subject matter and industry experts.

The Board and Working Groups are supported by a professional Secretariat provided by specialist consultancy Carnstone Partners Ltd.

THE PSCI PRINCIPLES

The PSCI Principles are the foundation of all we do; they are our blueprint for responsible practice, setting out our expectations for five relevant topics.

In 2019 the Principles were updated for the first time since they were agreed by PSCI's founding members in 2006. The refresh was motivated partly in recognition of the need for periodic review. Additionally, inputs from stakeholders during the 2018-2020 Strategy Review, and from the Advisory Panel, indicated the need to update or add wording on certain issues and topics.

The more significant changes include:-

- Strengthened references to **human rights** and emphasis on the PSCI's commitment in this area;
- Reference to the **UN Guiding Principles on Business and Human Rights** (UNGPs) as the internationally agreed standard for the corporate responsibility to respect human rights;
- Strengthened content on **anti-bribery and corruption, data protection, freely chosen employment, and health and safety**;
- New clauses on **patient safety, conflicts of interest, resource management and sustainable sourcing**.

All members of the PSCI, whether Full or Associate, commit to supporting and upholding the Principles. Members integrate them into their own supplier codes and uphold them in their own operations, aiming for continual improvement by advancing supplier performance over time.

The updated Principles can be found [here](#).

“OUR STRATEGIC OBJECTIVES ARE VERY MUCH ALIGNED WITH PSCI. FOR US, THE PSCI'S COLLABORATIVE APPROACH ENABLES US TO IMPROVE SUSTAINABILITY WITHIN OUR SUPPLY CHAIN.”

DEIRDRE O'REILLY
DIRECTOR EHS EXTERNAL SUPPLY, PFIZER UPJOHN



THE PSCI STRATEGY

2018-2020

As we approach the end of our current strategy cycle, a key focus will be to define our direction beyond 2020. This process is already underway. The graphic below represents the guiding approach to our strategy from 2018-2020.



AUDIT

Collectively, PSCI member companies visit or audit thousands of suppliers every year on ethics, labor and human rights topics, and health, safety and environmental issues.

Our Audit Committee is responsible for supporting and encouraging audits that reflect our Principles. In doing so, they play a key role in driving responsible supply chain management, ensuring that suppliers have been subject to professional scrutiny.

The Audit Committee's work also drives efficiency for both members and suppliers by sharing audit reports between members. This helps ensure that auditing resources are focused where they're needed.

PART OF OUR STRATEGY ...

The Audit Committee supports our strategic objectives to define industry-wide standards. It plays a vital role in making PSCI the one-stop-shop for pharma and as a delivery partner for other sustainability objectives when integrated into our audit tools.



CONTINUOUS IMPROVEMENT AND GREATER GUIDANCE ACROSS OUR KEY RESOURCES

Three key resources underpin the work of the Audit Committee:



UPDATED Our **Audit Template** helps ensure that important responsibility topics are comprehensively covered during audits, supporting suppliers, members and auditors.



UPDATED Our **Self-Assessment Questionnaire (SAQ)** allows suppliers to assess their own performance in advance of an audit.



UPDATING IN 2020 Our **Audit Guidance** provides an overview of the PSCI audit process, further supporting members and auditors using the Template.

Each of these practical tools rest on foundations set by the Principles, overlaid with the relevant industry standards. Beginning in 2018 we reviewed and refreshed the Audit Template and SAQ, launching updated versions and guidance in January 2019. The changes included:

- More detailed guiding descriptions within the audit template, making it easier to use and helping ensure consistent application.
- The addition of new topics including anti-microbial resistance (AMR), bribery and corruption.
- More detailed requirements and auditor guidance on labor and human rights topics.
- Greater flexibility in the classifications of audit findings, which allow auditors to indicate levels of risk.

To embed these changes, we offered an open-access [webinar](#) to all members, suppliers and auditors interested, providing a more detailed review of the changes, and the rationale behind them. We also used the PSCI's first

all-member call to provide information on the new tools, fostering engagement and understanding.

Finally, we reviewed our [introductory presentation](#), used as part of opening meetings at audits, which sets the scope, process and expectations. Working in partnership with the Communications Committee, this tool has been transformed to become more engaging, informative and useful.



AUDIT COMMITTEE SHARING INSIGHTS WITH OTHER MEMBERS AT THE AGM, NOVEMBER 2019

“WHEN WE PUT OUR PRINCIPLES INTO PLACE, AND IMPROVE - THROUGH AUDITS AND CORRECTIVE ACTION PLANS - HOW BUSINESS IS DONE, WE HAVE THE POWER TO ENFORCE THE PROTECTION OF HUMAN RIGHTS IN A WAY MOST GOVERNMENTS DO NOT.”

KELLEY HINDS
HEAD OF SUSTAINABILITY & RISK, **ROCHE GLOBAL PROCUREMENT**

AUDIT SHARING

The Audit Committee supports and drives the use of our custom-built online sharing platform. Via the platform, either a member or supplier may upload an audit with sensitive information removed, and the other party can then confirm whether the audit should be shared with other PSCI members.

Sharing audits has the potential to unlock enormous efficiency gains for suppliers and members alike. So, we are pleased to report improvements in both the relevance of audits shared, and a steadily rising number of audits shared on the platform (see page 19).

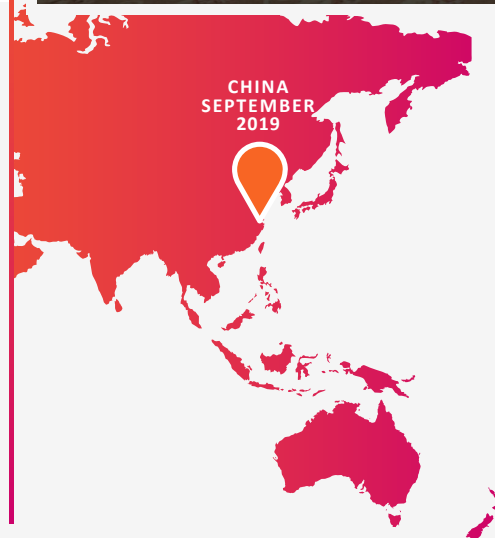


WATCH OUR SHORT FILM OVERVIEWING THE CHINA AUDITOR TRAINING IN ACTION [🔗](#)



ENGAGING DIRECTLY WHERE WE CAN HAVE GREATEST IMPACT

Our China Sub-Team continued working collaboratively to make our activities relevant and accessible to China-based members and suppliers. In particular, in July we launched a Chinese translation of our SAQ and Audit Template, available freely to all. And in September we delivered a specialist, face-to-face training session for HSE auditors in China, conveniently immediately following our supplier conference. This two-day course was delivered by senior auditing specialists from member companies. Taking place predominantly in Mandarin, the training was offered free of charge and reached 54 auditors, our biggest yet. Following our considerable progress in China, we hope to engage directly with more markets, notably supporting the PSCI’s recently established India Sub-Team.



2019 PSCI AUDITOR TRAINING IN HANGZHOU, CHINA – WHAT PARTICIPANTS SAID

“AUDITORS ARE VERY INTERESTED IN THIS TRAINING, AND THEIR ACTIVE ENGAGEMENT WILL LEAD TO MORE CRITICAL THINKING AND DETAILED FINDINGS IN THE AUDIT PROCESS. IT WILL HELP OUR AUDITORS GROW.”

KEN SUN, EHS&S LEAD (GSK)

“WE LEARNED A LOT, ESPECIALLY ON EHS TOPICS SUCH AS PROCESS SAFETY. THIS TRAINING IS VERY VALUABLE TO US.”

BELLA DING, PROJECT MANAGER (TÜV RHEINLAND (SHANGHAI) CO. LTD)

SUPPLIER CAPABILITY

One of the most sustainable ways to drive responsible practices in our sector is to enable suppliers to improve themselves.

The Supplier Capability Committee aims to use the expertise in member companies to drive continuous supplier improvement.

The Committee has eight Sub-Teams, themed around the topics in the PSCI Principles. This allows the widest possible range of subject matter experts from within member companies to contribute, creating customised conferences, webinars and extensive online tools which we offer to suppliers free of charge.

The Committee's work supports suppliers directly through training, events, webinars and online tools; and also enables member companies to better support their suppliers through the provision of resources and sharing of knowledge and best practice.

PART OF OUR STRATEGY ...

The Supplier Capability committee is essential to our strategic objective to create a community of improving suppliers.

SUPPLIER CONFERENCES

We keep working to raise standards and engagement in key supplier locations. In September, we hosted multi-day conferences in India and China, including a new 'deep dive' session on 'pharmaceuticals in the environment' (PiE) and anti-microbial resistance (AMR) in India. In total the conferences and deep-dive engaged over 400 representatives of members, suppliers and auditors. These free events were fully booked far in advance, with waiting lists operating – an indication of their growing popularity. The conferences were led by PSCI and its members, but also included presentations from suppliers and outside experts such as the AMR Alliance. The events were delivered with invaluable support from our partners International Safety Systems Inc (ISS) in India and Carnstone Asia Ltd in China.



DINESH SUBHEDAR PRESENTING ON THIRD PARTY LABOR RIGHTS

HYDERABAD, INDIA

17TH – 19TH SEPTEMBER 2019

Highlights from the India conference include:

- A separate seminar with insights and updates on PiE / AMR
- Launch of our management systems maturity ladder, to assess and drive progress
- Presentations on health and safety topics related to active pharmaceutical ingredients



ZHOUCHE (GRAHAM) DING, NOVARTIS, NOVARTIS LIFE SAVING RULES

HANGZHOU, CHINA

24TH – 25TH SEPTEMBER 2019

Highlights from the China conference include:

- Insights and updates on 'China REACH'
- Presentations on safety including high-risk work, process safety and exposure control
- Information sessions on managing human rights

WATCH OVERVIEW EVENT VIDEO



A WIDE RANGE OF WEBINARS

The Capability Committee organised and hosted seven webinars on essential topics during 2019. Approximately 400 people watched and listened to the webinars in real time, with the recordings being available in perpetuity on the PSCI website, along with the accompanying downloadable slide packs.

Audit and SAQ tools

A summary of key changes to the PSCI audit and a walk-through of the changes in the Excel and Word audit tools

Water stress management

An introduction, covering the definition of water stress and how it can be evaluated, with case study examples of how companies are addressing it.

Using the Ecovadis platform

Part of a series in which we invite third party platform/service providers to present, enabling members to stay on top of the range of options available.

“THE MOST VALUABLE PART OF MEMBERSHIP IS AUDIT SHARING, FOR ALL OUR SUPPLY CHAIN. PSCI WEBINARS AND TOOLKITS THAT WE PROVIDE TO OUR SUPPLY CHAIN ARE ALSO VERY HELPFUL IN RAISING THE BAR.”

CLARE LUMKONG
SUSTAINABILITY MANAGER,
BRISTOL-MYERS SQUIBB

PiE and AMR

Looking at the industry’s impact on AMR, and demonstrating the PSCI’s new PEC: PNEC calculator tool.

Emergency preparedness and response

Providing an overview of the PSCI’s expectations on this topic, with insights for the preparation of a good site emergency plan covering minimum requirements.

Modern Slavery

This webinar zoomed in on the legislative landscape for modern slavery as it relates to Pharma, how to identify risks and case study examples.

Ethics

Covering how to design an anti-bribery and anti-corruption programme, and PSCI’s expectations related to business ethics.



DIVERSE WAYS TO LEARN

We are using an increasingly diverse set of means to reach suppliers and drive forward their skills. In addition to webinars, conferences and training, we are pleased that 200 participants have now completed our e-learning course which provides an overview on the PSCI Principles and their practical application within supplier sites. Taking this into account, in addition to our various events and webinars, we initiated over 1,000 interactions with suppliers over the course of 2019.



SUPPLYING EXPERTISE



The Supplier Capability Committee oversees eight separate expert groups, offering unparalleled opportunity for industry experts to collaborate and advance good practices. These ‘Sub-Teams’ are a vital resource to other parts of the PSCI’s work; for example, this year the Human Rights and Labor Sub-Team drove the recognition of the UN Guiding Principles on Business & Human Rights into the PSCI Principles, whilst the PiE / AMR Sub-Team led our active partnership with the AMR Alliance. One notable change this year brought together the former Sustainability Data Collection project and the Environment Sub-Team. Reflecting their shared agenda, the groups merged into one Environment Sub-Team, taking a data-led approach across a broad set of environmental issues. More information can be found on page 18.

*Sub-Team leads as at April 2020

GOVERNANCE

The Governance Committee ensures the smooth-running and effective functioning of our activities. It also reviews and validates ways of working, seeking to share and replicate best practice, evaluate impact and uncover opportunities to improve.

The Governance Committee ensures that the PSCI has:

- A strong and transparent governance process including roles, responsibilities and decision-making.
- A performance management and accountability system to reach its objectives.
- Clear bylaws in line with its Non-Profit status.

FROM OUR STRATEGIC PILLARS ...

The Governance Committee is responsible to ensure the PSCI is “governed with transparency and managed with accountability”, the foundational commitment of our strategy. It also plays a key role in our external partnership.



MEASURING OUR IMPACT...

One of the Governance Committee’s key roles is to understand – and demonstrate – the impact that the PSCI’s work has in supply chains. We do this in a range of ways (see pages 19 - 20) each year. In 2019, we invited members to self-report on the impact of the PSCI in their organizations, and their progress in embedding our Principles across their activities. Responses were simply framed against a four-step maturity model. Through their responses we are now able to assess our impact of PSCI on its member organizations, and also enable members to see where they stand versus others. The results showed progress in most of the areas surveyed, with Associate Members recording particularly rapid improvements (see page 20).

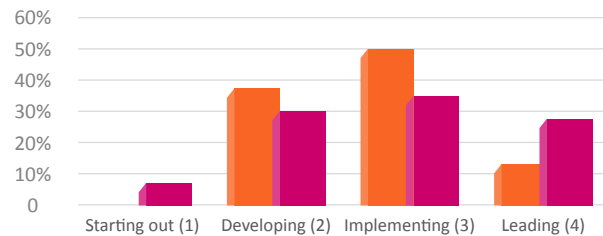
In addition, we now test prospective new members for their readiness in relation to the PSCI’s accountability criteria, using a scorecard to assess which form of membership – Associate or Full – the organization is best suited to.

We hope this workstream will develop an evidence base for our impact – an important part of our development as a collaborative organization.

SENIOR LEADER AWARENESS AND ENGAGEMENT IN PSCI

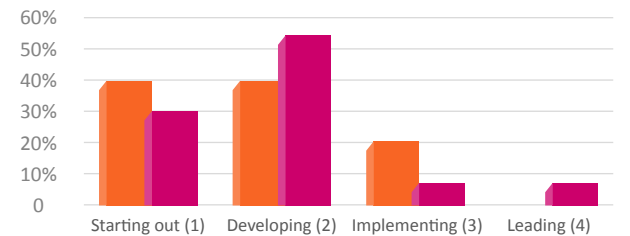
A higher proportion of senior leaders in member companies are active advocates for responsible supply chain management in 2019 compared to 2018.

FULL MEMBERS



Average score in 2018 – 2.75; 2019 – 2.81

ASSOCIATE MEMBERS



Average score in 2018 – 1.80; 2019 – 1.92

1 Starting out: Senior leaders unaware of the PSCI and PSCI Principles not yet integrated into our company’s approach. **2 Developing:** PSCI is influencing our company’s approach to responsible procurement, but senior leaders largely unaware. **3 Implementing:** Senior leaders are aware of the PSCI and how it has influenced our approach to responsible procurement. **4 Leading:** Senior leaders are advocates for PSCI and are actively promoting PSCI Principles across functions.

...AND DRIVING BEST PRACTICE

Measuring impact across such a diverse range of topics and organizations presents a challenge for consistency. To drive congruity in measurement, and to set a guiding framework towards a common definition of best practice, we developed a template for maturity models across the PSCI. Whether starting out, developing, implementing or leading, the template acts as a framework for topic-specific maturity models developed within a number of different Committees and Sub-Teams.



DRIVING ACCOUNTABILITY AMONGST MEMBERS

As a member-led initiative, our impact is built upon the engagement and contribution of members. The Governance Committee is the custodian of member accountability, defining [membership expectations](#) and ensuring that members uphold them. In 2019, the Governance Committee again oversaw an objective process, surveying members and asking them to provide evidence of compliance, which is followed up in one-to-one calls with each organization. Shortfalls are formally discussed with a Board member, and the member company is invited to fulfil its commitments or to offer an appropriate alternative such as hosting a member meeting or face-to-face training session. Currently, aggregated accountability information is shared with members, showing how the group collectively uphold expectations, with plans to increase this transparency between members using a dashboard in 2020.

MEMBER-LED AND MEMBER-DRIVEN

In 2019 more than ever, we saw effective cross-Committee working across the PSCI. Between our five Working Committees and more than 15 Sub-Teams, overseen by our Board, we are truly member-driven. We estimate that during 2019 approximately 200 separate meetings drove the PSCI forward. There were two face-to-face gatherings, each lasting three days with a total of more than 180 attendees.

At this year's AGM, we transformed the agenda to make it more interactive, accessible and informative, with bite-size progress updates, two World Café presentation sessions led by members, and deeper dives into high priority or emerging issues. We also made better use of technology, building live interactive polling into presentations and live-streaming to members unable to attend in person, doubling the reach of the meeting.



MEMBERS GATHER AT THE PSCI ANNUAL GENERAL MEETING IN BOSTON, NOVEMBER 2019



PEER TO PEER MENTORING SCHEME ROLL OUT

The Peer to Peer mentoring scheme, which launched at the end of 2018 on a pilot basis, has proven a popular model for supporting companies at all stages of their journey towards a responsible supply chain. Following a successful pilot, it was decided to extend the scheme to a wider group of interested companies. We look forward to making this opportunity open to more companies.



THE PSCI ADVISORY PANEL

In 2019, the Advisory Panel were even more engaged in the work of PSCI, meeting twice to consider strategic questions and support future planning. The Panel's perspectives combine broad view across the sector's responsibility issues and specialist expertise on important topics. Their insights help ensure that PSCI anticipates and responds to important outside stakeholders and developments appropriately. With a number of new members in 2019, the group's human rights expertise was strengthened in line with the PSCI's increased focus in this area.

You can hear directly from the Advisory Panel on page 22.

PARTNERSHIPS

The Partnerships Committee was established during 2019 as our fifth permanent working committee. Its mission is to extend the PSCI's reach and impact via partnerships.

The group implement our Partnerships Strategy, concentrating initially on the key markets of India and China. Both are important supply and manufacturing regions for members. Two national Sub-Teams lead this work, enabling locally-based members to inject their local expertise directly.

The Committee works closely with our colleagues in Governance, who support in reviewing potential partners and put the necessary legal frameworks in place.

PART OF OUR STRATEGY ...

Partnering with others was established as one of the pillars of our 2018-20 Strategy (Pillar 3) with specific objectives to build external partnerships, build our profile and visibility and develop the PSCI to be a delivery partner for other sustainability initiatives in the pharma sector.

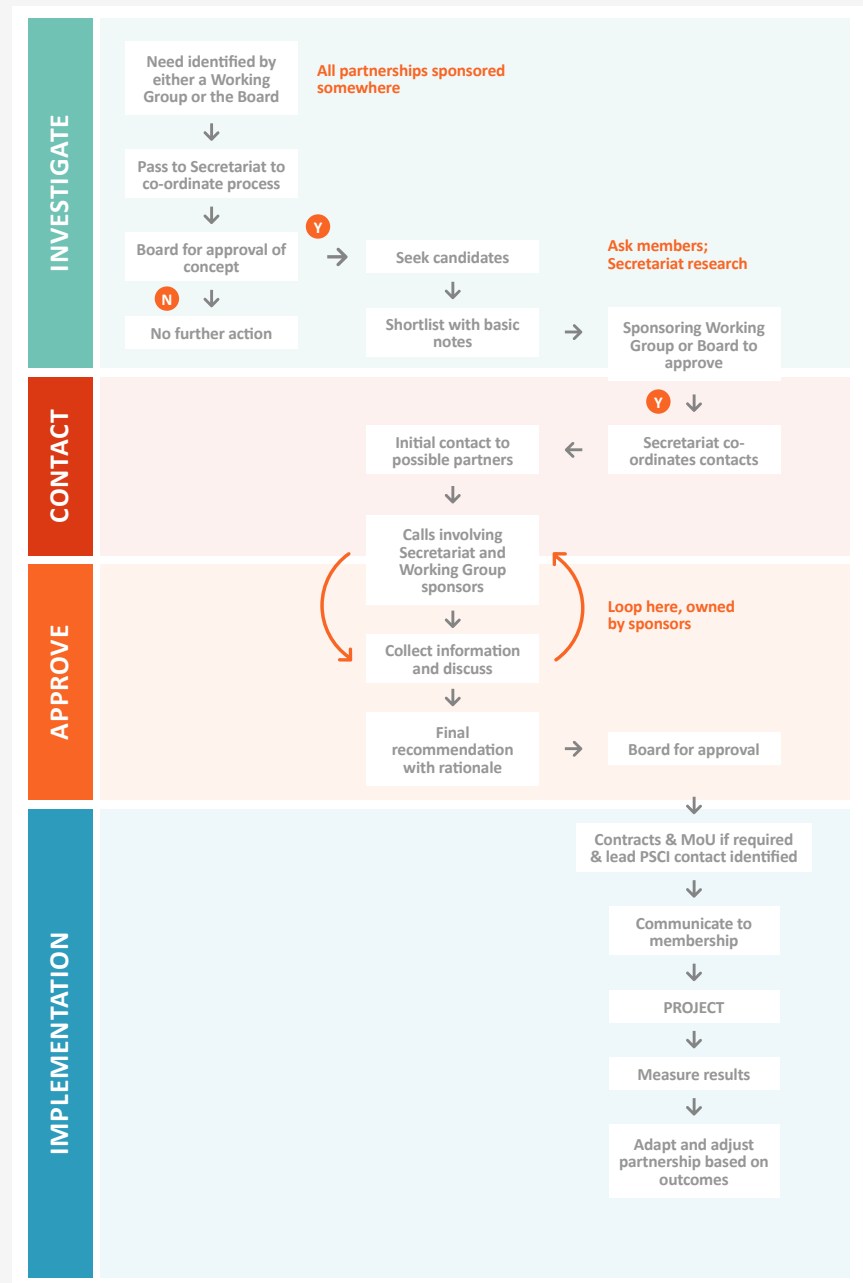
It is a strategic imperative for the PSCI to expand its impact via partnerships. Our newly-formed Partnerships Committee was established this year to drive that programme.

PARTNERSHIPS STRATEGY

The PSCI has a Partnerships Strategy, setting out when and how we might partner with others to support our objectives. For example:

- **Content partners:** Bring in expertise that complements our knowledge, for capability building, information sharing and education of our stakeholders (including suppliers).
- **Advisory partners:** Leverage strategic advice from other organisations and expert individuals.
- **Promotional partners:** Increase our profile and visibility by tapping into other networks and platforms; or
- **Commissioning partners:** Where the PSCI can operate as the delivery partner to achieve mutual sustainability objectives.

The Partnerships Strategy sets out the process and approval steps for new partners, how we work together and the benefits each party expects.

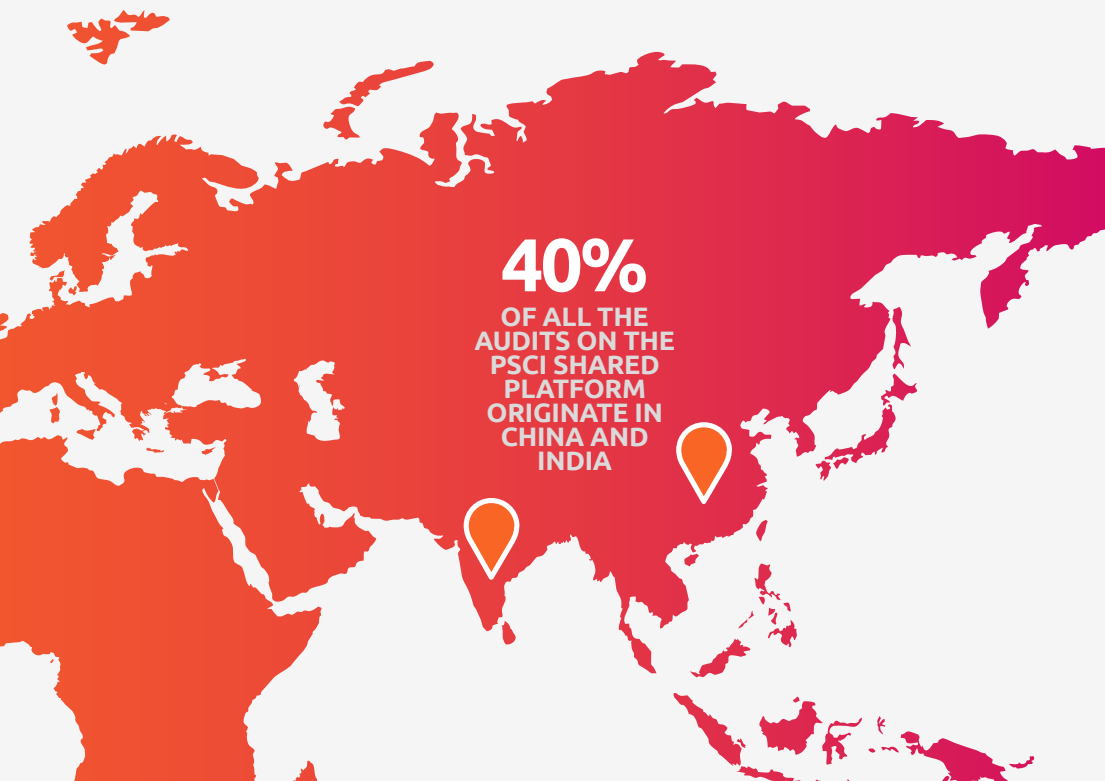


CHINA AND INDIA

Our initial focus has been to find and develop partners who can advise us and help share our message into these two critical supply markets; nearly 40% of all the audits on the PSCI shared platform originate in these countries. Our annual conferences, webinars and resources reach hundreds of suppliers, but there are many thousands more suppliers around the world with whom we have no direct contact.

In China we have formed strong partnerships with CPEA and RDPAC – both are trade associations with hundreds of members between them – with whom we're able to share knowledge and insights, and advice on best practices. This is facilitated through attendance and presentations at one another's events, and CPEA has already drawn on PSCI's SAQ template in developing its own audit checklist. In this one step, we have been able to share the PSCI's Principles with hundreds of Chinese companies, encouraging them to assess their own HSE and labor rights practices against our framework.

We are at an earlier stage in India, having identified potential partner organisations and currently negotiating with them. We expect to formalise these relationships in 2020.

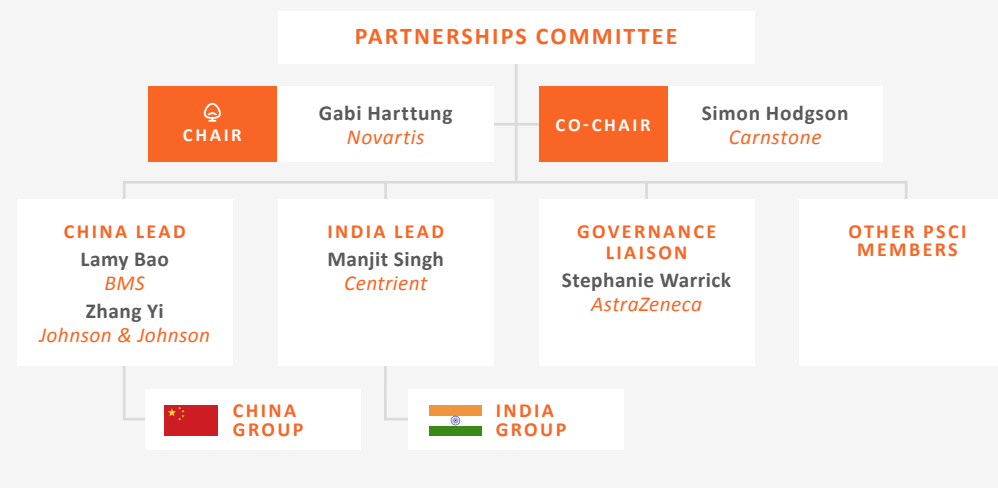


TWO LOCAL SUB-TEAMS

Many of the PSCI member companies have colleagues based in India and China, who are a valuable local resource for our partnership development. We have established two national Sub-Teams, able to work in a common language and time zone to drive action, and plan to continue expanding our regional model.

The China Sub-Team has been established for some time but has this year become a formal part of the Partnerships Committee. It has played a key role leading the relationships with CPEA and RDPAC. Also, in 2019, the group supported various activities aiming to directly attract a Chinese and China-based community of manufacturers, suppliers and auditors. The group supported planning for the PSCI Supplier Conference in Hangzhou, China in September 2019, and supported Chinese translations of several resources including our supplier SAQ template, and collaterals including an introductory pamphlet and video about the PSCI. In 2020, they will help the PSCI run our first webinar in Chinese.

The India Sub-Team has just been established and will begin meeting in 2020.



DEVELOPING OTHER PARTNERSHIPS

During 2019 we also formally approved a partnership with SafeBridge Consultants, who are content partners for our work on Industrial Hygiene (IH). We further strengthened our relations with the Green ChemisTree foundation in India and have other potential partnerships in development. Read more about our current partners on pages 22-23.

COMMUNICATIONS

The Communications Committee takes the work being done by the PSCI and shares it beyond our members, ensuring wider audiences hear about PSCI. Key audiences include:

- Employees at member companies
- External partners and collaborators
- Suppliers
- Potential member companies
- Government entities

The Committee is focused on sharing PSCI's Principles and best practices, and ensuring our brand and profile are well recognised in the industry.

The Committee oversees our brand identity and visual representation, as well as co-ordinating face to face and written communications with our stakeholders.

PART OF OUR STRATEGY ...

The Communications Committee builds our profile and visibility internally and externally, and supports our reputation and growth.



EXPLORING THE TOPICS ABOUT WHICH OUR STAKEHOLDERS CARE

The Communications Committee is the guardian of our external profile and is always seeking opportunities to connect the PSCI with relevant debates and discussions. In 2019, we conducted research into specific issues of interest, beginning by mapping our activities against the UN's Sustainable Development Goals (SDGs). We were also featured by two industry publications, with whom we worked to inform their readers on important responsibility issues. Specifically:

- An article introducing the PSCI and providing insights to our audit findings. Published in Pharmaceutical Manufacturing and Packing Sourcer magazine, in August.
- A comment piece, authored by our 2019 PSCI Chair, Gabriele Harttung, on third party risk management (TPRM) and published in Risk & Compliance Magazine, in October.

HELPING MEMBERS SHARE THE WORD

During 2019, a key area of activity was the production of resources and tools that enable members to share the PSCI with their stakeholders. These include:

- NEW!** An **introductory pamphlet** designed for distribution at events and conferences, to engage both suppliers and potential members
- NEW!** A short, multilingual **introductory film** explaining our mission and activities to newcomers
- ANNUAL** An **Annual Report** providing progress updates for our key workstreams and activities
- BI-ANNUAL** A regular **newsletter** providing updates on news and activities
- ONGOING** An introductory **overview presentation** about the PSCI for members to use when presenting

SDG MAPPING



REPRESENTING PSCI AROUND THE WORLD

We are grateful to members who have advocated for the PSCI across a range of channels and events in 2019, including presentations about the work of the PSCI to the following organizations and events:

- 1 Salon Internacional Logistica (SIL) in Spain; presented by Enric Bosch, Boehringer Ingelheim.
- 2 The Association of Innovative Medicines, in the Netherlands; presented by Frank Buijs from Takeda.
- 3 The International Bar Association's Annual Conference for lawyers, in South Korea, as part of a panel on encouraging responsible supply chain practices through contracts and other legal tools; presented by Caroline O'Brien, AstraZeneca.
- 4 The Industrial Green Chemistry Workshop (IGCW), in India; presented by Manjit Singh, Centrient.
- 5 DiaLab Xpo in Copenhagen; presented by Victoria Stone-Bjarup, Novo Nordisk.



1 ENRIC BOSCH, BOEHRINGER INGELHEIM, REPRESENTING PSCI AT SIL, JUNE 2019



5 VICTORIA STONE-BJARUP, NOVO NORDISK, REPRESENTING PSCI AT THE DIALAB XPO, SEPTEMBER 2019



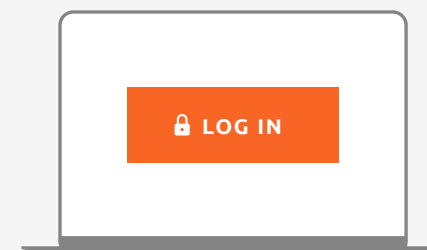
2 FRANK BUIJS, TAKEDA, REPRESENTING PSCI TO THE ASSOCIATION OF INNOVATIVE MEDICINES, NOVEMBER 2019



LINKING MEMBERS TOGETHER

As PSCI grows, our communications tools and platforms need to evolve with us. In 2019, we created a transformational shift in our ability to communicate with members, and to foster dialogue between them, by launching The Link, our custom-built platform for PSCI activities. By accessing The Link, members can connect with one another, stay updated on the committees and Sub-Teams they engage on, and dip into the work of other committees and Sub-Teams. The platform allows for greater transparency for members to view activity across the PSCI, and a secure platform for fluid dialogue between members, as well as minimising our reliance on emails. We launched the platform in November after a rigorous testing phase and are encouraged by the way members have responded to it.

In parallel, we have developed a tailored 'supplier version' of The Link, which will allow us to better engage them. 'The Link for suppliers' will improve our ability to promote events and resources to suppliers in a targeted way, making suppliers aware of the range of tools available, and engage in dialogue that ultimately creates a community of suppliers. This will launch in early 2020.



FOCUSING ON THE ENVIRONMENT

2019 has been a transformational year for environmental topics. Within the PSCI the groundwork for environmental impact has been laid over many years through diligent sharing of best practice and knowledge between members. Two workstreams have been instrumental in this area; their activities are highlighted below.

PHARMACEUTICALS IN THE ENVIRONMENT, ANTI-MICROBIAL RESISTANCE AND THE PSCI

Given the critical nature of this topic, it's a key focus for members. This year, a number of activities and developments were led by our dedicated PiE / AMR Sub-Team:

- In July, the group launched our **Consolidated PEC:PNEC Calculator Tool**, to assist pharmaceutical manufacturers in meeting 'predicted no effect concentration values' (PNECs) for active pharmaceutical ingredients (APIs) discharged in wastewater from manufacturing operations. The **tool** draws on insights and approaches from several member companies, is made available freely to all, and has already been downloaded over 500 times. This was launched in tandem with a **webinar** on the impact of pharmaceutical manufacturing on anti-microbial resistance, and explaining the tool, viewed over 700 times already.
- In September, a **'deep dive' technical seminar** on PiE and AMR was offered to suppliers in India. The full day seminar featured presentations from member companies Centrient, Johnson & Johnson, Elanco and GSK, as well as specialists from ERM and the AMR Industry Alliance ("the Alliance"). 139 suppliers attended.
- We continued our **partnerships** with the Alliance Manufacturing Group and International Federation of Pharmaceutical Manufacturers and Associations (IFPMA). By working with these globally respected organizations, we aim to ensure that our approach and capacity building resources reflect and anticipate the best practice. The PSCI acts as a supply chain delivery partner, getting the right messages out to the supply chain, in partnership with these important organizations.

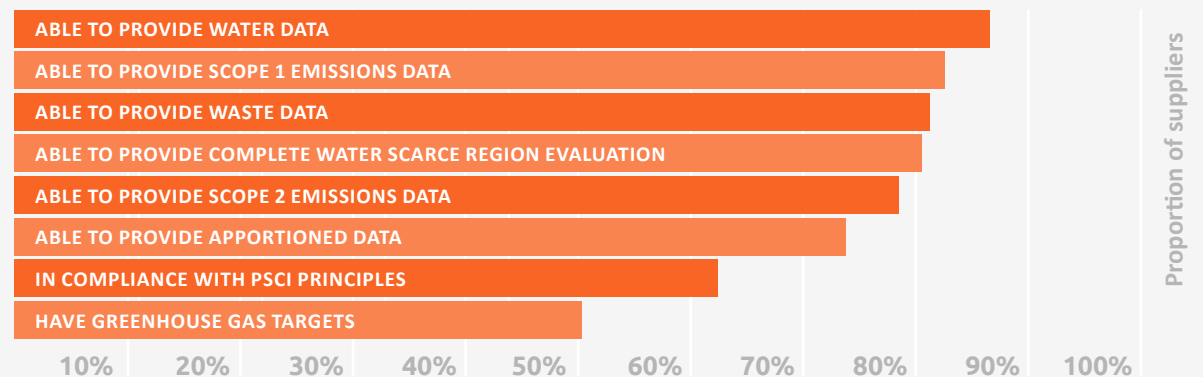
ENVIRONMENTAL PERFORMANCE AND DATA

It was an important year for the Environment group, which merged with our Sustainability Data Collection 'limited duration team', in operation since 2016. This change is intended to bring environmental data collection and supplier training design together.

The combined team will use data to see where training is most needed and design training to address the gaps and needs. Early research with Ecodesk – who have supported PSCI since 2016 by running the aligned questionnaire through their platform – has already shown us that the vast majority of suppliers have some sort of environmental sustainability programme in place, but have difficulty setting goals particularly around carbon and greenhouse gas emissions. The Environment group continued to encourage wider adoption of the aligned supplier questionnaire, to reduce the 'survey fatigue' burden on suppliers. The team also began investigating how to develop and deliver supplier guidance materials on greenhouse gases and goal setting.

Meanwhile the group developed online resources on priority topics and on supplier data collection solutions. These included webinars on water stress in partnership with the Stockholm International Water Institute (SIWI), and on getting the most from the EcoVadis platform – another commonly used tool amongst members. Our aim is to keep members informed about the range of tools available in this rapidly evolving market.

SUPPLIER SUSTAINABILITY DATA CAPABILITIES Based on Ecodesk data research



OUR IMPACT

STEADILY INCREASING OUR IMPACT ON THE INDUSTRY

REACH

PSCI IN PERSON	2018	2019
Conference attendees ¹	400+	400+
Webinar attendees	163	400
Member meeting attendees ²	125	180+
Total approved 3rd party audit firms	11	12
3rd party auditors trained	23	40
Member companies	34	40

¹ In 2019 PSCI had supplier conferences in China and India, each of them has welcomed over 200 attendees.
² For the first time, we welcomed virtual attendees to the 2019 Fall AGM. Over 40 members attended virtually.
³ Resource downloads have increased substantially compared with 2018. Some of this increase is attributable to more comprehensive tracking of resource downloads. However, with web visitors also increasing, the figures also reflect growing popularity of PSCI resources.

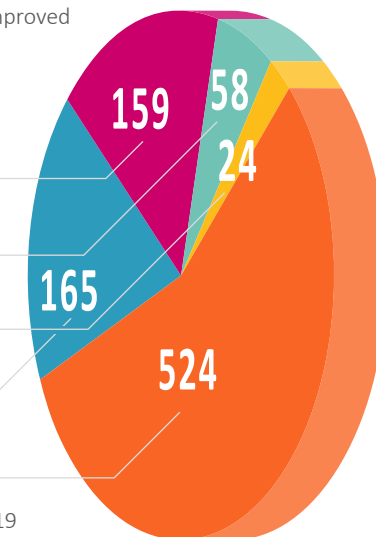
PSCI ON THE WEB	2018	2019
Unique web visitors	26K+	35K+
Followers on social media	564	941
Twitter followers	157	201
LinkedIn followers	407	731
Document downloads ³	50K+	125K+
Industrial Hygiene (IH) Introductions Training slides on fundamentals of IH	4K+	7.3K+
Basic Information for OEL PBOEL-HHC IPI and API	2.3K+	4.5K+
Best Management Practices for Leak and Spill Control	1.5K+	4.2K+
Downloads of PSCI Audit Guidance	1.4K+	3K+
PSCI Principles	1.1K+	2.2K+
PSCI Principles guidance	1K+	1.5K+

AUDIT SHARING

When an audit is conducted, findings are categorized according to our five Principles pillars. This gives us visibility over how audit findings are changing over time, whether due to improved performance or more detailed auditing processes.

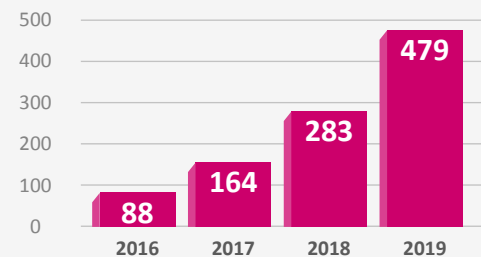
2019 AUDIT FINDINGS

- 10% Management Systems
- 8% Labor
- 5% Ethics
- +7% Environmental Protection
- +16% Health & Safety

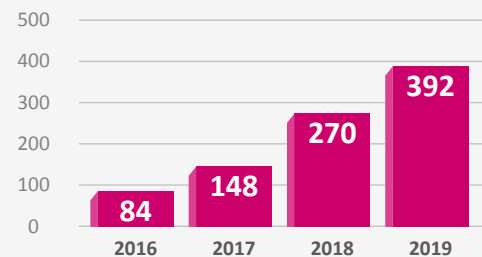


Change in share of total 2019 vs 2018. Note that the 2019 audit findings relate to a different mix of suppliers than in 2018.

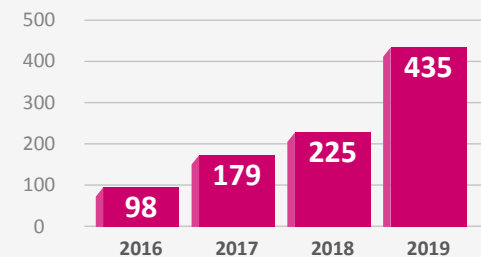
NUMBER OF SUPPLIERS ON PSCI PLATFORM



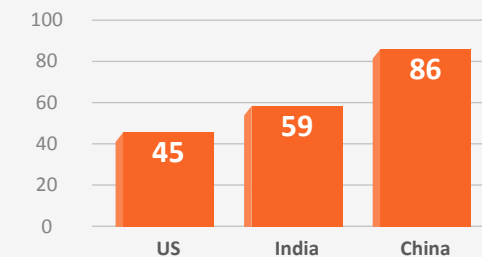
NUMBER OF AUDITS ON PSCI PLATFORM



NUMBER OF SAQs ON PSCI PLATFORM



PRINCIPAL AUDIT COUNTRIES



* Note: In previous years we've reported only on the number of stand-alone SAQs on our Audit Platform. For 2019, we've updated the methodology to better reflect the number of SAQs on the platform, including those which were submitted in tandem with a completed audit report.

Cumulative number of audits on the platform 2015-2019

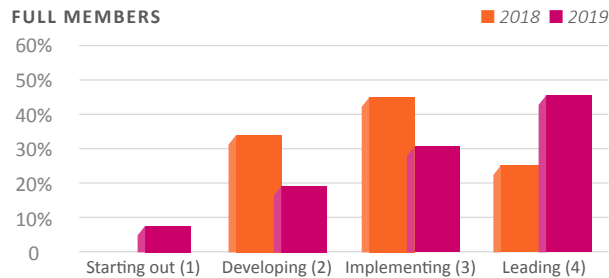
OUR IMPACT

CHANGING MEMBER PRACTICES

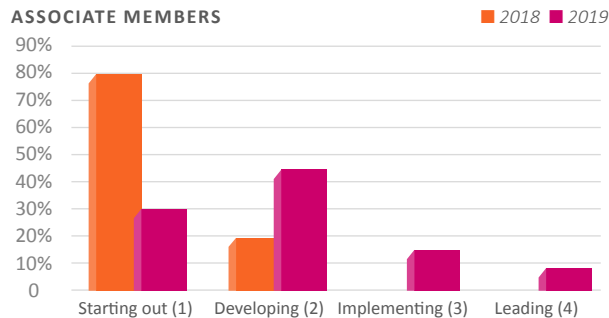
For the second year running, members were asked to self-report on their responsible supply chain practices, with responses providing an insight into their evolving maturity and PSCI's impact. Their responses showed encouraging improvements across all measured areas. For more information on the distinction between Full and Associate members, visit page 26.

BEING ONE VOICE: LEVERAGING THE COLLABORATIVE POWER OF THE PSCI WHEN ADDRESSING SUPPLIER ISSUES

A greater proportion of members are fully convinced of the power of a collaborative approach to responsible supply chain management, and actively engaged in driving this.



Average score in 2018 – 2.92; 2019 – 3.08

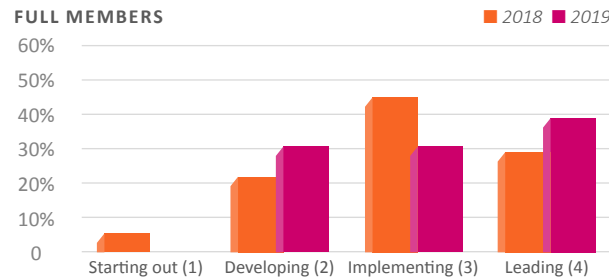


Average score in 2018 – 1.20; 2019 – 2.00

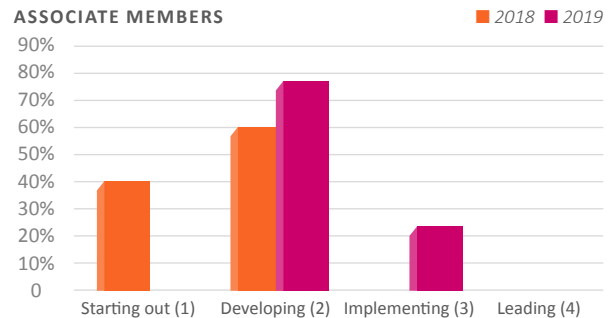
1 Starting out: We either do not want to address issues collectively or have never faced such issues. **2 Developing:** We occasionally leverage the benefit of PSCI collaboration but we don't consistently provide inputs/resources to support the collaborative effort. **3 Implementing:** Yes, we generally leverage the benefit of PSCI collaboration and we are committed to providing inputs/resources to support the collaborative effort. **4 Leading:** Yes, we believe in collaborative industry-wide solutions and we do what we can to drive such efforts.

USING AND SHARING PSCI RESOURCES TO ADDRESS SUPPLY CHAIN ISSUES

Associate members reported an increase in their active use of PSCI resources to address supply chain issues.



Average score in 2018 – 3.00; 2019 – 3.08

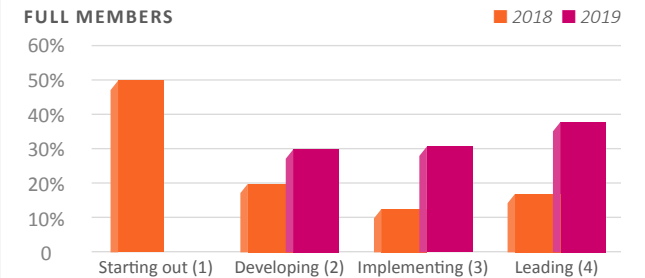


Average score in 2018 – 1.60; 2019 – 2.23

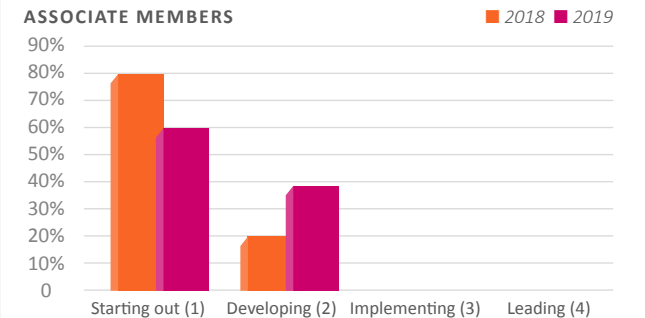
1 Starting out: No, not at all. **2 Developing:** Yes, we draw on PSCI information in this way, but we have not contributed any information of our own. **3 Implementing:** Yes, we benefit from shared information in this way and we have also contributed to it. **4 Leading:** We are active and public sharers of information and are committed to helping other member companies benefit from it.

PUBLICLY REPORTING ON AUDIT DATA AND SUPPLY CHAIN COMPLIANCE, IN RELATION TO THE PRINCIPLES

Full members reported substantial improvement in public reporting of supply chain data and commitment to PSCI's Principles.



Average score in 2018 – 1.96; 2019 – 3.08



Average score in 2018 – 1.20; 2019 – 1.38

1 Starting out: Company does not publicly report data on supply chain performance. **2 Developing:** Company publicly reports data on supply chain performance, but it is general and high-level. **3 Implementing:** Company publicly reports supply chain data illustrating the state of compliance in the supply chain and including to the PSCI Principles. **4 Leading:** Company publicly demonstrates a) that suppliers conform to the PSCI Principles and b) collaborative supplier relationships.

WHO'S WHO?

The PSCI is truly member-led, with members informing, guiding and driving our activities across the topic areas in our Principles.

SECRETARIAT

BOARD OF DIRECTORS

 BRIDGET FERRARI Takeda	 KELLY KAPPLER Johnson & Johnson	 MANJIT SINGH Centrient	 CAROLINE O'BRIEN AstraZeneca	 GABRIELE HARTTUNG Novartis	 BIRGIT SKUBALLA Bayer	 CLARE LUMKONG BMS
2020 Secretary	Treasurer	Vice-Chair	Chair	Past Chair		
2019	Secretary		Vice-Chair	Chair	Past Chair	Treasurer

ADVISORY PANEL

WORKING COMMITTEES

AUDIT	COMMUNICATIONS	GOVERNANCE	SUPPLIER CAPABILITY	PARTNERSHIPS
 KELLEY HINDS Roche	 ENRIC BOSCH Boehringer Ingelheim	 KEVIN BORUD Roche	 INGRID VANDE VELDE Johnson & Johnson	 GABRIELE HARTTUNG Novartis
 ROY AGOSTINI Mallinckrodt	 MATT KOVATCH AbbVie	 RINCY JOSEPH Bayer	 SHELLY SHOPE Elanco	 SIMON HODGSON Carnstone

MEMBERS

As the organization continues to grow, the PSCI Board took decisions to increase the total number of Board members to seven (from five) from 2021 onwards, and also to establish a new Working Committee for Partnerships, which launched in 2019. These developments are supportive of PSCI's growth and the steadily increasing levels of activity and reach.

The Board would like to record its thanks to all the members of these Committees and Sub-Teams, and particularly to the individuals who lead them.

ADVISORY PANEL

In 2018 we formed our Advisory Panel to challenge our thinking, help us consider strategic questions and anticipate future developments. In 2019 we added several new members to the Panel, ensuring a broad view across the sector's responsibility issues and specialist expertise on important topics.



HILLARY AMSTER
HEAD OF THEMATIC ENGAGEMENT
RESPONSIBLE BUSINESS ALLIANCE

"PSCI and the RBA have a similar mission of positively affecting the environment and the lives of workers throughout the supply chain. By sharing best practices, both organizations can broaden and deepen the impact for these important causes."



ANN CARTER
GLOBAL PURCHASING AND
SUPPLIER MANAGEMENT
BAXTER

"Professional and effective supply chain management is a major driver of value in the pharmaceutical sector. It is great to see the industry coming together to use its scale for good. I challenge the PSCI to think bigger, aim higher, and become the voice for the whole sector."



RACHEL COOPER
DIRECTOR, HEALTH INITIATIVE,
TRANSPARENCY INTERNATIONAL

"Transparency International Health Initiative seeks to be a 'critical friend' to the pharmaceutical sector. We are delighted to sit on the PSCI Advisory Panel and were particularly pleased to see that PSCI's robust membership policy commits to maintaining and encouraging high standards rather than a race to the bottom."



MAGDALENA KETTIS
HEAD OF THEMATIC ENGAGEMENT
NORDEA

"Nordea has engaged with the pharma industry and PSCI on pharmaceutical pollution since 2015 and I look forward to strengthening our dialogue on this and other important and challenging issues through the PSCI Advisory Panel. Stepping up responsibility in pharma production is imperative. Pollution from antibiotic production is particularly problematic as it fuels the spread of AMR – a global health and wealth threat."



GERALD PACHOUD
MANAGING PARTNER
PLUTO & ASSOCIATES

"Collective action is certainly one of the best ways to address complex systemic issues. Through their own actions, the PSCI members can implement higher standards of social responsibility. Through collection action, they can leverage their experience, sharing and cooperation to move their entire sector beyond compliance. The PSCI brings together most, if not all, major players in the pharmaceutical industry. It therefore has tremendous leverage over responsibility practices and could really change the field."



SARAH STEINGRÜBER
INDEPENDENT GLOBAL HEALTH CONSULTANT
AND GLOBAL HEALTH LEAD
CURBINGCORRUPTION.COM

"Corruption in the pharmaceutical supply chain not only jeopardizes industry performance but endangers people's lives. I'm pleased to support the PSCI to tackle the issue of corruption, address the risks in supply chain and identify preventative measures for the betterment of human health."



TOSHIO TAMAMURO
HEAD OF CORPORATE SOCIAL RESPONSIBILITY
TAKEDA PHARMACEUTICALS

"Takeda is proud to be part of the PSCI and to have held the Chair in 2017. The Advisory Panel was a change for me to encourage my colleagues to think big, and to look for external partnerships in support of their responsibility vision."

COLLABORATION AND PARTNERSHIP



Arcadis

Arcadis is a global design, engineering and management consulting company based in Amsterdam. Arcadis has expertise in evaluating the risks of pharmaceuticals in the environment and developing predicted no effect concentrations (PNECs) for active pharmaceutical ingredients (APIs).

arcadis.com



The Water & Environmental Technology (WET) Center

The WET Center is led by Temple University with partner sites at the University of Arizona and Arizona State University. It was established in 2009 to develop a platform of water treatment technologies and scientific information systems that apply to a wide variety of industrial sectors.

nsfwetcenter.org



CHWMEG

CHWMEG is a non-profit trade association of manufacturing and other 'industrial' companies interested in efficiently managing waste. It conducts comprehensive, independent reviews of facilities and delivers seminars, conferences and informational documents.

chwmeq.org



Verisk Maplecroft

Verisk Maplecroft integrates global risk analytics, expert insight and user-centric platforms to help organizations build resilience and unlock competitive and reputational advantage.

maplecroft.com



Institute of Public and Environmental Affairs

The IPE is a non-profit environmental research organisation based in Beijing. It has built a database of environmental information to serve green procurement, finance and environmental policymaking, driving cooperation between companies, government, NGOs, research organisations and other stakeholders.

ipe.org.cn



American Chemical Society (ACS) Green Chemistry Institute Pharmaceutical Roundtable

ACS GCIPR's mission is to catalyse the implementation of green chemistry and green engineering in the global pharmaceutical industry.

acs.org

COLLABORATION AND PARTNERSHIP



CPhI

The Convention on Pharmaceutical Ingredients (CPhI) is an established pharmaceutical event series. Uniting niche and top buyers and sellers together under one roof in nine event locations around the world, CPhI hosts conferences, seminars, and awards to advance the industry.

cphi.com



SafeBridge Consultants, Inc.

SafeBridge Consultants, Inc. provides industrial hygiene, toxicology, and safety services to the pharmaceutical, biotechnology, and fine chemicals industries.

safebridge.com



LogiPharma

LogiPharma is an event series bringing together the industry with top-level speakers and thousands of attendees across bespoke presentations and small-group formats.

logipharmaeu.wbresearch.com



R&D-based Pharmaceutical Association Committee (RDPAC)

R&D-based Pharmaceutical Association Committee (RDPAC) sits under the China Association of Enterprises with Foreign Investment (CAEFI) and is a non-profit organisation made up of 41 member companies with pharmaceutical R&D capability.

rdpac.org



The Anti-Microbial Resistance (AMR) Industry Alliance

The AMR Industry Alliance is one of the largest private sector coalitions set up to provide sustainable solutions to curb anti-microbial resistance, with over 100 diagnostics, biotech, generics and research-based pharmaceutical companies and associations joining forces.

amrindustryalliance.org



China Pharmaceutical Enterprises Association (CPEA)

China Pharmaceutical Enterprises Association (CPEA) is an industry membership association whose activities are policy promotion; information exchange; strengthening self-discipline; and uploading members' rights and interests.

cpema.org



Green ChemisTree Foundation

The Green ChemisTree Foundation is a non-profit foundation that aims to advance know-how on green chemistry amongst industry, academia, research institutes, governmental bodies and students. It organises workshops, seminars and conferences.

greenchemistree.co.in

FINANCIAL REPORT

All the financial data on this page is taken from the PSCI financial statements for the years ended 31st December 2017, 2018 and 2019.

The PSCI is funded by members paying annual subscriptions based on their size and level of commitment (Associate Members pay a financial premium reflecting the greater non-financial contributions made by Full Members). Revenues in 2019 were \$733,115 up by 21% from the previous year, the increase driven by growth in membership.

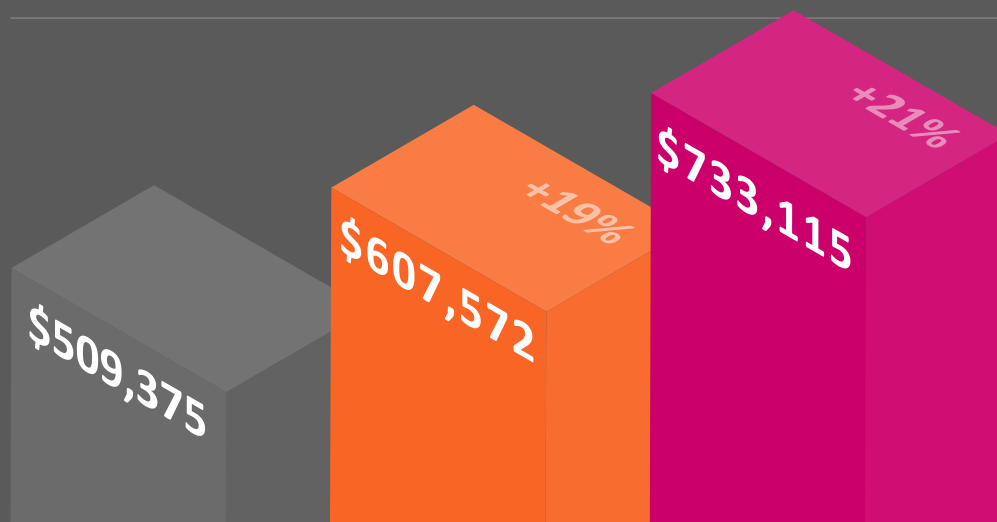
Expenditure is incurred in the organisation and management of the PSCI, and on projects and events to promote responsible supply chains. Expenditure in 2019 was \$691,045, an increase of 45% from the previous year. This reflects a significant growth in our external activities, including growing the number of shared audits, extending our supplier conferences and in length, making greater use of external venues to accommodate our growing number of attendees at our supplier conferences and auditor training sessions, whilst also increasing the number of webinars we ran. We also actively engaged our Advisory Panel, and added virtual attendance options to our face-to-face member meetings. Expenditure on organisation and management is typically less than half of the total.

The PSCI has not-for-profit status, allowing it to be mission driven and representative of its members. Unspent membership fees are retained as reserves to be invested into projects and programmes in future years. The PSCI Board comprises five Directors, including a Treasurer, all of whom are answerable to members at two face-to-face meetings each year, including the PSCI's AGM in the Autumn. The finances are overseen by PSCI's Treasurer with support from our independent accountants, Hertzbach & Company.

"In 2019, I was pleased to see PSCI delivering a substantially increased programme of activities, putting our growing revenues from member fees to good use. At the same time, we performed a review of the PSCI budgeting process with a focus on increasing the level of fiscal transparency. The PSCI board now provides regular performance metrics on planned and actual spend across workstreams. This is particularly useful in managing Committee and Sub-Team activities, enabling groups greater visibility and control over their plans and budgets." Clare Lumkong, Bristol-Myers Squibb – PSCI Treasurer in 2019

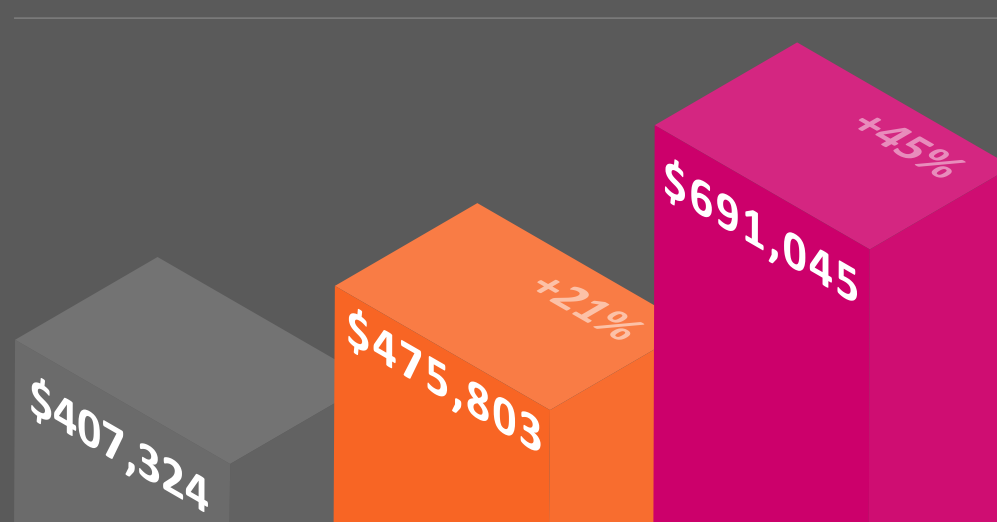
TOTAL REVENUE FROM MEMBERSHIP FEES

Year ending 31st December 2017 Year ending 31st December 2018 Year ending 31st December 2019



TOTAL OPERATING EXPENSES

Year ending 31st December 2017 Year ending 31st December 2018 Year ending 31st December 2019



PSCI MEMBERSHIP

The PSCI has two levels of membership: Full membership is designed for companies that wish to actively participate in the PSCI and take leadership by sharing audits and participating in working committees. Associate membership is tailored to companies who wish to take a less active role. These companies are typically just starting their responsible sourcing programmes, or do not have the resources needed to participate fully. The figure below shows the membership number for each year at year-end*.



* In January 2019, member companies Shire and Takeda merged, and now operate under the Takeda brand. Shire have therefore been removed from our 2019 member list.

PLANS FOR THE YEAR AHEAD



I TAKE THE CHAIR OF THE PSCI AT A CRUCIAL TIME FOR THE ORGANISATION.

The last three or four years have been marked by **rapid growth**. Firstly in membership – already in the first quarter of 2020 we have welcomed new members and can finally say that all top 20 of the world's largest pharmaceutical companies are PSCI members, having welcomed Abbott alongside others. Growth has also been visible in our activity, tools and impact – and I see no sign of this slowing down.

However, like all organizations we must adapt and respond to our changing environment. The Covid-19 crisis brings challenges in our how we work with suppliers, but also reminds us of the importance of robust practices in the supply chain. We see an opportunity to further develop our ability to deliver our resources and capability-building activities virtually, and will be directing considerable focus here in order to continue growing our impact.

The work we are doing to set industry norms and expectations is essential and we will continue our **collaborations** with the AMR Industry Alliance and others to establish common frameworks. Our Partnerships Committee will establish more relationships, taking our Principles, tools and impact further and wider.

But the other big theme for the year ahead is **organisational maturity**. In parallel with maintaining our growth, we will look for ways to strengthen our processes, fitting them to the size and impact we anticipate in the future. The PSCI has evolved rapidly from a small group of committed individuals to become a global industry collaboration, and we will be developing our ways of working and governance to match.

During 2020, we expect to refresh our Bylaws and Standard Operating Procedures (SOPs), expand the size of our Board and formalise the ways we work with partners and colleagues. We will make more transparent the ways we hold members accountable and find ways to track our members' individual commitments and activity.

We will extend our new member community platform, The Link, to include a suppliers' area, allowing many hundreds of suppliers to interact with us digitally and taking another step towards our goal of a connected, improving supplier community; we expect this to drive an increase in audit sharing and engagement with our capability work. We will continue to develop partnerships and our regional model to dramatically increase our reach, and given our aim to reduce our industry's environmental impact, we will work to understand our own footprint and improve our tools to provide the best possible communication and collaboration using fewer of the world's resources.

All of this will be captured in a **new three-year Strategy**, to be developed this year for implementation starting in 2021. 2020 marks the final year of our existing strategy (shown on Page 7) and I am pleased with how much of it we have managed to achieve. As I look ahead, I expect us to go further into supplier assessment and recognition, embrace new supply chain technology and strengthen our work on specific topics such as ethics and anti-microbial resistance.

2020 will be an exciting year. I look forward to sharing the result with you in 12 months' time.

CAROLINE O'BRIEN
CHAIR OF THE PSCI FOR 2020
AstraZeneca



CONTACT

Start the journey to a more sustainable future.

For more information about the PSCI please contact:

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carnstone
p a r t n e r s l t d

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

www.carnstone.com / [@Carnstone](https://twitter.com/Carnstone)

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