

## PSCI News Update - Winter 2020

### Message from the Chair

To our community of members, suppliers, auditors, and industry peers,

This is our final newsletter of 2020 and my final one as the PSCI Chair. It's been an extraordinary year in many ways, that has only reinforced the critical role of responsible supply chain practices, the resiliency of the pharmaceutical and healthcare industries, and the important role of the sector in the wider world. As we have continued to deliver medicines to the patients that need them, and in parallel created multiple supply chains for Covid-19 vaccines and treatments, the ability of our member companies and their suppliers to withstand multiple obstacles, invoke their business continuity plans, and continue to operate in line with our Principles has been fantastic to see.

I am very proud of what we have achieved this year and how we've adapted. We held our Spring Meeting and Annual General Meeting fully online, hosted virtual conferences for suppliers in China and India, and updated our audit program to include virtual and remote audit options. We also agreed our new three-year strategy and elected new Board members. And to finish the year, we're running our annual [Member Benchmarking Survey](#), which we encourage you to complete by 18 December. As we look forward to 2021, I am very excited about our bold ambitions for the future, and I look forward to working with the incoming Chair - Manjit Singh at Centrient - and our new Board members to continue to drive the PSCI agenda forward and achieve even more.

Have a safe, restful, and happy break over the holiday period.

Best wishes,

Caroline O'Brien

*PSCI Chair and Global Quality Audit - Hub Director AsiaPacific at AstraZeneca*

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### Message from the Incoming Chair

Dear all,

I am delighted to take on the role of PSCI Chair for 2021 and support the delivery of our new and ambitious strategy. I want to thank the outgoing Chair, Caroline, and Board Members, and wish a warm welcome to those joining. I am looking forward to the challenge of continuing to work together with our members to deliver responsible supply chain practices across the pharmaceutical industry.

Best wishes,

Manjit Singh

*PSCI Vice-Chair and Associate Director of Corporate Sustainability at Centrient Pharmaceuticals*

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Caroline O'Brien (AstraZeneca)



Manjit Singh (Centrient)



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## Recent Events

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**PSCI Webinar: [Combustible dust](#)** (delivered in Mandarin)  
3 July 2020

**PSCI Webinar: [GDPR and Anti-Bribery and Corruption](#)**  
27 August 2020

**PSCI Webinar: [Wastewater treatment technologies for controlling discharges from pharmaceuticals manufacturing](#)**  
10 September 2020

**Virtual PSCI Supplier Conferences**  
17 September - 29 October 2020

**PSCI Webinar: [Decoding the New Indian Labor Codes & Emergent Human Right Risks in India](#)**  
5 November 2020

**[Virtual PSCI Annual General Meeting 2020](#)**  
10-11 November 2020

**PSCI Webinar: [Respiratory Protection in the Pharmaceutical Industry](#)** (delivered in Mandarin)  
12 November 2020

**PSCI Webinar: [Quality Assurance in Exposure Assessment \(Industrial Hygiene\)](#)**  
12 November 2020

**[PSCI Virtual Auditor Training](#)**  
25 November - 3 December 2020

**PSCI Webinar: [Responsible sourcing of raw materials used in the pharmaceutical industry](#)**  
10 December 2020

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## Upcoming Events

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**PSCI Spring Meeting**

*Watch this space for more details to come in the new year*

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## Updates from the Annual General Meeting

### Board Appointments

Welcome to our new Board Members and Chair:

- Manjit Singh (Centrient), Chair
- Vicki Stone-Bjarup (Novo Nordisk), Vice Chair
- Caroline O'Brien (AstraZeneca), Past Chair
- Bridget Ferrari (Takeda), Treasurer
- Zelia Kranich (Merck, known as MSD outside the U.S.), Secretary

They will be joined for the first time by two additional Board members:

- Rikke Gade Christensen (Leo Pharma), Secretary-Designate
- Guoxiang Lamy Bao (BMS), Treasurer-Designate

Many thanks to our outgoing Board Members for all their work.

*Vicki Stone-Bjarup  
(Novo Nordisk)*



*Bridget Ferrari  
(Takeda)*



*Zelia Kranich  
(Merck MSD)*



*Rikke Gade Christensen  
(Leo Pharma)*



*Guoxiang Lamy Bao  
(BMS)*



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## Rediscover our Approach to Antitrust

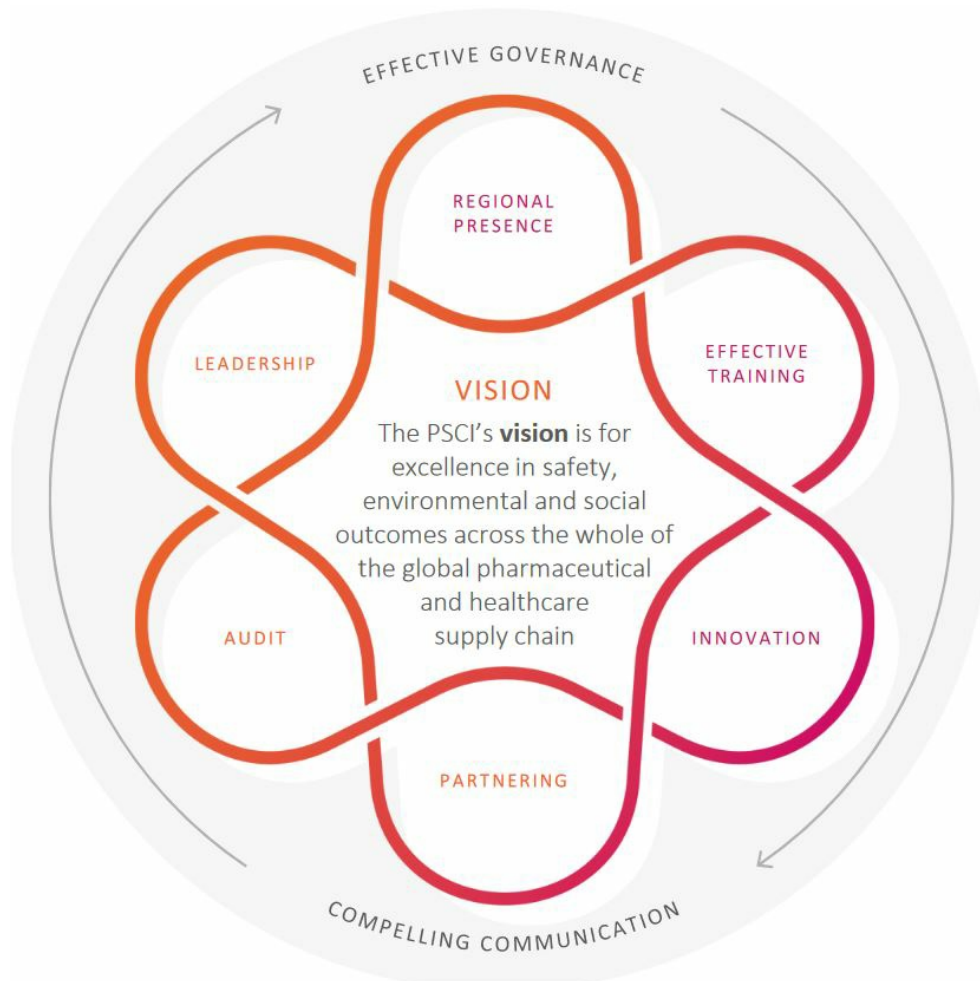
The Board ran a project this year to raise member awareness of our approach to antitrust. We produced a two-minute video (available [here](#)), included it as a standing item on Committee agendas, and started asking lead contacts for an annual affirmation via the Member Impact Survey. From January members will be asked annually to commit to abide by the PSCI Antitrust Policy when they log onto The Link, all of which ensure that we can continue to collaborate

responsibly and effectively.



## 2021-2023 Strategy

The new [PSCI strategy for 2021-2023](#) was agreed at the AGM and is built on our vision for excellence in safety, environmental, and social outcomes across the whole of the global pharmaceutical and healthcare supply chain and on our three new foundational commitments: human rights, environmental sustainability, and responsible business. One of our priorities will be to blend our structured online training with our face-to-face training. We'll also grow and expand The Link for Suppliers to increase the visibility of supplier maturity and online learning access. Finally, we'll establish a strong regional presence and extend our China and India pilots to other regions of the world.



**In Case You Missed It – The impact of Covid-19 on supply chain management by Professor Shih of Harvard University**

Members heard fascinating insights from Professor Willy C. Shih of Harvard University about the impact of Covid-19 on supply chain management. Prof. Shih explained how the increasing specialization of manufacturers and growing complexity of supply chains over the past few decades had resulted in the shock caused by the pandemic to pharmaceutical supply chains this year. The presentation is available to members [here](#). (To access the video, you'll need to log in using your AGM credentials.)



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## Supply Chain News and Emerging Issues

### Launch of the Self-Initiated Audit Pilot and Remote Audit Program

To ensure audit continuity in the context of the Covid-19 pandemic, the PSCI has launched a supplier self-initiated audit (SSIA) pilot and a remote audit program. The new self-initiated audit (SSIA) program allows suppliers to start an audit that will be completed by an approved third-party firm and shared with members on the PSCI platform. This program is now open to all PSCI members and suppliers, remotely or onsite. SSIA's offer flexibility to suppliers, provide members with more supplier options, encourage suppliers to proactively identify risks and opportunities, may reduce the number and scale of future audits, and follow the rigorous PSCI audit process, guaranteeing high quality evaluations. Remote audits will count towards PSCI members' target of sharing five audits annually at a .5 weighting.

### Emerging Topic Spotlight: Biodiversity

While climate change has captured public attention and risen to the top of political and corporate agendas, biodiversity has lagged behind. That is changing with growing appreciation that the world's biodiversity is critical to humanity's wellbeing and business profitability. The pharmaceutical industry has a unique imperative to protect biodiversity – natural resources (and genetic diversity) form the foundation of a wide range of medicines and are critical for the discovery and development of new chemical substances and active pharmaceutical ingredients. Read more and tell us more about your company's biodiversity goals [here](#).





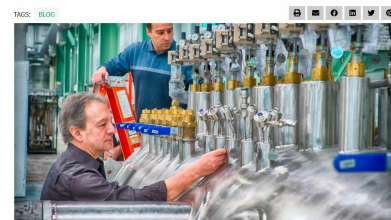
## Our Partnerships

We are increasingly developing our local and global partnerships in China and India, and with key communication groups:

- **China:** We held two webinars in Mandarin this year on [combustible dust](#) and [respiratory protection](#). We also launched our WeChat public account, which now has over 550 readers.
- **India:** We conducted a gap analysis to understand the potential contradictions between the recently enacted Indian labor laws and the PSCI Principles, and shared the results through a webinar.
- **CPhI:** We've continued our successful communications partnership with CPhI through a series of speaking engagements, awards judging, and quarterly blogs. Our members presented at the annual Festival of Pharma, presenting [an introduction to Pharmaceuticals in the Environment \(PiE\) and anti-microbial resistance \(AMR\)](#), and the Festival keynote speech on [redefining supply chain resiliency](#).



### Tackling Issue of Pharmaceuticals in the Environment from Manufacturing Emissions



The second in a quarterly series of blog posts about responsible supply chain management from the PSCI Chair, Caroline O'Brien  
Sep 22, 2020

## Supplier Updates and Resources

### The Link for Suppliers

Join our community for suppliers, The Link, and gain easy access to resources, audit sharing information, and peer discussions. If you are a supplier, click [here](#) to sign up. If you are a member and want to share more information with your suppliers, use our email template [here](#).

We also have a WeChat channel used by 550+ suppliers – scan the QR code below or use the ID 'PSCI' to join.



## Virtual Supplier Conferences

Across four days in September and October, our 51 virtual training sessions on management systems, safety, PiE/AMR, environment, process safety management, industrial hygiene, ethics, and human rights had 2,900+ supplier viewers from China and India. We significantly increased our reach this year and received positive feedback about the sessions and content. Recorded training sessions are available below.

- China (in Mandarin):

- [Session 1](#) – PSCI Updates and Management Systems
- [Session 2](#) – Environment, PiE/AMR
- [Session 3](#) – Ethics, Human Rights, & Labor
- [Session 4](#) – Safety, Process Safety Management, and Industrial Hygiene

- India (in English):

- [Session 1](#) – PSCI Updates and Management Systems
- [Session 2](#) – Environment, PiE/AMR
- [Session 3](#) – Ethics, Human Rights, & Labor
- [Session 4](#) – Safety, Process Safety Management, and Industrial Hygiene



## Environmental Primer Guides

Environmental issues such as climate change are top of the agenda for the pharmaceutical sector. In order to help suppliers understand the background to this and other key environmental topics, we developed short training guides. Access the content below and share with your teams:

- [Climate change](#)
- [Compliance and Prevention](#)
- [Energy efficiency](#)
- [Green logistics](#)
- [Environmental management](#)
- [Packaging](#)
- [The PSCI Principles on the Environment](#)

- [Raw Materials](#)
- [Waste](#)
- [Water](#)

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## Member Updates and Resources

### Welcome to our New Member

We've welcomed one new member since July 2020: Dr Reddy's Laboratories Ltd. We welcome their genuine commitment to responsible supply chain practices. This brings our total membership to 45.

Dr. Reddy's is an Indian-headquartered integrated pharmaceutical company, committed to providing affordable and innovative medicines for healthier lives. Through its three businesses – Pharmaceutical Services & Active Ingredients, Global Generics, and Proprietary Products – Dr. Reddy's offers a portfolio of products and services including APIs, custom pharmaceutical services, generics, biosimilars, and differentiated formulations.



### Member Benchmarking Survey – Complete by 18 December

Would you like to compare the size of your responsible procurement team or your third-party audit program with fellow PSCI members? The PSCI Member Benchmarking Survey will answer these questions and provide insight on year-on-year trends. Please ensure that your lead contact [completes the survey](#) by 18 December. Results will be shared in 2021.

## Resource Guides

### *Raw Materials*

The Human Rights & Labor Sub-Team has published responsible sourcing [guides](#) on nine raw materials (natural rubber, aluminium, shellac, glass, fish oil, castor oil, sugar, talc, and cellulose) that are of key importance to the pharmaceutical industry. Each factsheet details the production process and countries of production of the relevant material and the associated human rights impacts, as well as existing sustainability initiatives. In partnership with the Environment Sub-Team, those nine guides have since been updated to also cover potential environmental impacts, and guides about five new raw materials have been created. All 14 updated sourcing guides will be published soon.

### *Scope 3 Emissions Calculation Guidance*

The Pharmaceutical Environment Group (PEG) and its participating companies have developed a [guide for calculating Scope 3 emissions](#) for pharmaceutical companies to be shared amongst PSCI members. The guide seeks to provide a consistent guidance for pharmaceutical companies to calculate greenhouse gas (GHG) emissions in their upstream and downstream value chains in line with the GHG Protocol methodology.



