

# **PFSCM ANNUAL REPORT** 2023



PFSCM's Quality Management System has been certified to ISO 9001:2015 Quality Management System Standard by DQS Inc. Ref Registration # 10012936 QM15

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### **4** Sustainability



### DIRECTOR'S MESSAGE 2023

The Partnership for Supply Chain Management (PFSCM) enjoyed another successful year in 2023.

We expanded our service offering to include even more product categories, elevated our operations with new certifications, and partnered with our clients, suppliers, and service providers to deliver complex solutions in challenging environments.

PFSCM continued to deliver a full range of supply chain services to its clients using a <u>category management approach</u>. This starts with a strategic category assessment that aligns with a client's needs and is then translated into operational guidelines to effectively deliver health products and services based on the particular characteristics of that category and its products. This allows us to provide fit-for-purpose services, whether it is purchasing and delivering pharmaceuticals and rapid diagnostic tests, establishing and supporting all-inclusive pricing agreements for analyzers, or delivering complex project-based products such as large-scale medical waste incinerators, CT scanners, or next-generation sequencing machines and reagents.

In the past year, we have also expanded our product category offerings to include health products for antimicrobial resistance and harm reduction programs.

Highlights from 2023 include:

- Assisted our clients roll out more than 120 tuberculosis (TB) analyzers in Nigeria, more than 80 x-ray machines in Pakistan, 76 autoclaves in Zimbabwe, 125 portable ultrasound machines in Tanzania, and multiple CT scanners in Mozambique;
- Procured more than \$398 million worth of health products and delivered 2,602 shipments to 84 countries.
- Worked closely with our clients, suppliers, and freight forwarders to ensure health products continue to be delivered to Palestine, Ukraine, Niger, Yemen, Syria, and the Democratic Republic of the Congo, among other turbulent countries;

Continued to procure and deliver pharmaceuticals like antiretrovirals, dietary products like vitamins, rapid test kits for HIV, malaria, and TB, contraceptives, medical and imaging equipment, and a broad range of analyzers including molecular, CD4 count, hematology, microbiology, chemistry, and genomic analyzers as well as the reagents and consumables to support these products.

In our continuing pursuit of operational excellence, we garnered several licenses and certifications in 2023. We earned our triennial ISO 9001:2015 Quality Management System (QMS) recertification, passed a Quality Assurance audit completed by humanitarian development nonprofit FHI360, and received a Wholesale Distributor Authorization permit from the Ministry of Health of the Netherlands.

In 2023, we continued to make good progress toward our sustainability goals. We relocated to a new, larger, more sustainable office in Woerden, Netherlands. We published our Sustainability Report for 2022, released our Sustainability Strategy plan for 2023/24, joined the WHO-led Alliance for Action on Climate Change and Health (ATACH), and were recognized by an accredited global auditing firm for aligning with the ISO 20400:2017 guideline for Sustainable Procurement.

Our work and success are based on the efforts of our committed staff and collaborative, supportive relationships with our clients, suppliers, and service providers. We look forward to continued success in the coming year in delivering on our mission and meeting our clients' needs in the everchanging global health landscape.

Edward Wilson PFSCM Director



### **OUR STORY**

Established in 2005, PFSCM is a nonprofit supply chain solutions provider and procurement services agent (PSA). Our mission is to strengthen, develop, and manage secure, reliable, cost-effective, and sustainable global supply chains to improve the health and well-being of people in low- and middle-income countries (LMICs) through increased access to quality and affordable health products.

We solve complex procurement and distribution challenges, enabling donors, nonprofit organizations, humanitarian agencies, and health product and technology manufacturers to safely and cost-effectively improve access to high-quality health products in LMICS.

As a PSA, we specialize in the procurement and delivery of prevention, testing, and treatment products for the following disease groups and health areas: COVID-19, HIV/AIDS, malaria, TB, reproductive health, family planning, and maternal and child health, antimicrobial resistance, harm reduction, and opportunistic infection medicines.

We offer a complete range of services from category and channel management, to strategic sourcing, supply chain, and 4PL solutions, including forecasting, and demand planning. Additionally, we provide product quality assurance and quality control testing, upstream and last-mile logistics, end-to-end shipment tracking, and storage and warehousing.

In the last ten years, across all clients, we transacted more than \$6.6 billion worth of orders for medical devices, such as diagnostic products used in COVID-19, HIV, TB, and malaria testing. In the same period, we served 122 countries and delivered 38,110 shipments.

In 2023 alone, across all clients, we facilitated the procurement of more than \$398 million worth of orders for medical devices, delivered 2,602 shipments, and served clients in 84 countries. PFSCM is well known for our uncompromising quality standards, from the products we source and procure to the systems and processes we deploy to meet our client's requirements. All our services comply with our ISO 9001:2015 certified QMS.

PFSCM is headquartered in Washington, D.C., in the US, with its main operational facility in Woerden, the Netherlands. We have around 147 full-time staff members, representing more than 55 nationalities.



### **IMPACT FIGURES 2023**

In 2023, we procured more than \$398 million worth of health products for 84 countries and delivered 2,602 shipments.

#### **HEALTH PRODUCTS DELIVERED INCLUDE:**

- HIV, malaria, COVID-19, and other rapid diagnostic test kits.
- Molecular, chemistry, hematology, microbiology, and CD4 count analyzers and reagents
- Genomic surveillance analyzers and reagents

- Medical imaging equipment like ultrasounds, CT scanners, and X-rays
- Viral load and Early Infant Diagnostics reagents and consumables.
- Pharmaceuticals
- Nutrition products

#### **SERVICES OFFERED INCLUDE:**

- Market shaping and souring
- Category and channel management
- Procurement agent services
- Pooled procurement

- Health logistics
- Cold chain management
- Technical assistance
- Project-based procurement

### 2023





2,602 shipments delivered



**SINCE 2020** 





### **SINCE 2012**









### 2023 HIGHLIGHTS

### **STAFF AND LOCATIONS**

PFSCM's staff complement grew slightly in 2023 to 147 members, and attrition remained below the industry standard. Our staff are located in the US and Europe, and a few African countries, such as Nigeria, South Africa, Uganda, and Zambia, and represent 55 nationalities. This diversity brings vibrancy to our workplace and enables us to offer our global client-base services in many different languages.

In 2023, we relocated to a larger and more sustainable office in the Netherlands.

- The new office is conveniently situated within walking distance of a local train station and promotes the use of public transportation, reducing our carbon footprint.
- The office features 86 ergonomic workstations with chairs that are not only made from recycled material but are also 98% recyclable at the end of their lives.
- Amenities include a dedicated breastfeeding room, prayer room, shower facilities, a game room, eight meeting rooms, seven focus rooms, and numerous flexible work-stations across two floors.
- Carbon-neutral flooring offsets emissions equivalent to 43,947 km of travel, contributing to our sustainability efforts.
- Creative repurposing of materials includes chandeliers made from recycled PET bottles, adding unique character to the space.
- Greenery is integrated into the office with 250 to 300 plants spread throughout, enhancing air quality and creating a vibrant atmosphere.
- We implemented a system for separating waste to increase recycling and reduce landfill waste.

### **DIGITAL TRANSFORMATION**

In 2023, as part of PFSCM's ongoing digital transformation, we strengthened product data management activities right at the start of our portion of supply chain work, which is transactional procurement and order fulfillment up to delivery in-country. By implementing a Product Information Management tool, we have effectively leveraged product and logistics data to refine and improve transport planning, especially for cold chain, which inherently has more risk than ambient cargo. PFSCM's product portfolio includes a wide range of temperature-controlled, cold chain, and frozen products like chemical reagents. These products must be shipped cold chain, and careful planning is needed to mitigate risks like temperature excursions, delays, or improper cooling and recooling.

Through interconnected systems, data exchange, and other tools like data loggers, we can tap into previously unused cold chain information. We have avoided unnecessary shipment rejections and subsequent product destruction by providing this information to the right people at the right time and place in the supply chain.

Notably, our overall shipment rejection rate was extremely low at just 0.47%. Apart from helping resolve temperature-related incidents quicker, the data logger information has helped us reduce insurance claims, enabling us to negotiate lower insurance rates. This achievement translates to savings for our clients. We also continued to enhance the features of our supply chain control tower to automate more processes and work more digitally. A key update to our systems in 2023 included the automatic grouping of shipments based on shared characteristics like handling requirements, Incoterms, destination, or delivery date. This grouping at an early stage in the supply chain planning streamlines processes for PFSCM and our suppliers and reduces administration.

Lastly, we have finished our Enterprise Data Warehouse Project, including migration of all reports, implemented Power BI Report Builder, and intensified the cooperation between the Data Engineers

and Data Analysts to strengthen our Data Governance Framework and our objective to become a more digital and datacentric organization.



### **SOURCING AND PROCUREMENT**

With thousands of products and suppliers in the market, it can become overwhelming and time-consuming for funders, donors, foundations, and other buyers to easily and affordably source and procure the best quality health products suited to specific demographics, regions, or health programs.

In 2023, we helped our clients navigate the vast and complex pharmaceutical and medical device market by providing them with market intelligence and analysis and helping them align their business goals with suitable procurement strategies.

We continued implementing a category management approach to develop sustainable procurement and logistics strategies that reduce risk, save costs, enable efficiencies, and strengthen supplier partnerships.

Last year, we onboarded 13 new suppliers, actively managed nearly 60 supplier contracts, of which 15 were newly negotiated in the year, and developed new product portfolios for antimicrobial resistance and harm reduction. Overall, we now have more than 250 reputable suppliers, of which 58 are regional or authorized distributors operating close to demand.

### **PROJECT-BASED PROCUREMENT**

As a PSA and health logistics specialist, PFSCM helps bridge the gap between project-based and operational procurement. We help our clients roll out new projects from the start and plan for and provide the ongoing operational procurement services needed to sustain the ongoing long-term replenishment of pharmaceuticals and nonpharmaceutical products like consumables and reagents.

In 2023, we helped our clients implement several medical equipment projects:

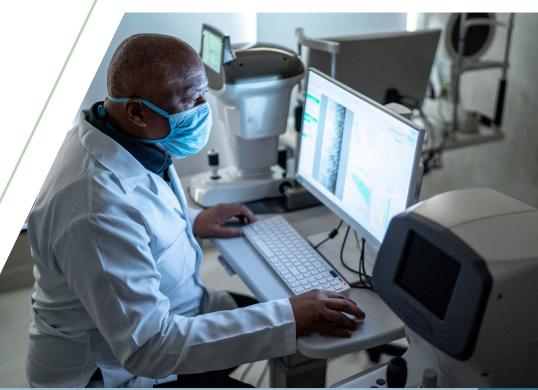
- More than 100 X-ray machines in Pakistan.
- More than 75 autoclaves in Zimbabwe.
- More than 120 TB analyzers in Nigeria.
- More than 125 ultrasound machines in Tanzania.
- More than 10 CT scanners for Mozambique (2023 and 2024).

Regarding operational procurement, PFSCM works closely with our clients to ensure they receive the consumables needed to keep equipment running and health services accessible.



PFSCM also steps in when clients need maintenance agreements, warranty extensions, after-sales service, and training for their existing laboratory equipment and medical infrastructure. Notable in this regard is a project for which PFSCM supported the Ministry of Health of Malawi with laboratory equipment maintenance services for equipment that was installed in 2018. When the equipment's original maintenance services agreement expired in 2020, PFSCM facilitated the extension of another three years and negotiated and set up multi-year agreements with five suppliers for the annual servicing of the equipment. The standalone maintenance services were successfully concluded in 2023.

Learn more about supply chain solutions for project-based procurement here.



### **GENOMIC SURVEILLANCE**

PFSCM kept its finger on the pulse of the fast-developing genomic surveillance and pandemic preparedness landscape.

In 2023, we partnered with Illumina, one of the leading global manufacturers of next-generation sequencing (NGS) equipment, to support its newly launched <u>Global Health Access Initiative</u>. This initiative provides reduced pricing for eligible sequencing products in LMICs and addresses critical international logistics and supply chain challenges. PFSCM, in collaboration with Illumina, facilitates access to these eligible sequencing products for entities such as implementing partners, NGOs, not-for-profits, UN organizations, and other Global Health funding mechanisms.

Since adding our first genomic sequencing products to our portfolio in 2022, we expanded our expertise, service offering, and product portfolio to include turnkey supply chain solutions for genetic analyzers, including NGS equipment, ancillary products, and consumables required for a streamlined workflow.

We deepened our knowledge of NGS and mapped the key considerations for procuring and delivering sequencing equipment. We presented these topics at the International Conference on AIDS and STIs in Africa, which took place in Zimbabwe, and the African Society for Laboratory Medicine's conference, which took place in Cape Town in December.

We continued to educate recipients on this topic, helping them to get the most out of their surveillance investments.

- View our ICASA NGS poster here.
- View our ASLM presentation here.

In 2023, we oversaw the implementation of NGS analyzers and auxiliary products for more than **20 countries**, including Burkina Faso, Benin, Kenya, Morocco, Malawi, Nepal, Nigeria, and Ethiopia. We delivered our first NGS analyzers less than a year after adding the products to our portfolio. Nigeria is one of the countries making significant progress towards bolstering its surveillance capacity. It has become PFSCM's largest client for NGS analyzers and auxiliary products that play a direct or secondary role in the sequencing process.

The country has already invested a significant amount in analyzers, reagents, and consumables to strengthen its surveillance capacity. NGS project implementation includes the provision of services like installation, training, commissioning, and warranty extensions.

Learn more about PFSCM's genomic surveillance experience and services here.

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### **HEALTH LOGISTICS**

Health and humanitarian logistics constitute a significant component of PFSCM's work and an area of expertise in which we continue to evolve and excel to meet the changing needs of the global health landscape. In 2023, PFSCM mainly procured and delivered rapid diagnostic test kits for HIV and malaria. These commodity-based products are typically shipped as temperature-controlled goods in bulk by ocean but could also be moved by air if deliveries are urgent. For these products, which have a long shelf life, it is possible to ship larger orders less often.

The second biggest product group delivered was viral load, early infant diagnostics, and molecular reagents and consumables. Reagents are temperature-sensitive and are shipped by air as cold chain. Time and temperature-sensitive products typically have a short shelf life and cannot be stockpiled. Frequent replenishment results in smaller shipments delivered more frequently.

Further, in 2023, we supported our clients with tailored logistics solutions for the multi-site delivery of heavy capital equipment like CT scanners, autoclaves, biosafety cabinets, and X-rays. We also worked closely with our 3PL partners to develop custom transport plans for the staggered delivery of short shelf life and cold chain products. We collaborated closely with consignees to overcome importation complexities caused by abrupt changes to product registration procedures in Gambia, sudden tax waiver process changes in Sierra Leone, ongoing IDEC waiver budget-threshold adherence issues in Nigeria, and supply chain disruptions primarily caused by conflicts and natural disasters.

By mid-2023, the coup in Niger impacted heavily on the transport network in West Africa. The Nigerian airspace was closed, vessels were delayed in the Port of Cotonou, and goods could not be moved via Benin owing to sanctions. The ongoing war in Ukraine, the Israeli-Palestinian conflict, and the resulting Suez Canal closure complicated our work.

### **TOP COUNTRIES IN 2023**

(based on the value of lifesavings products procured)

Country	Value of health products procured	Shipments received	Different kind of products ordered
Uganda	\$45 million	257	461
Mozambique	\$41 million	164	88
Nigeria	\$40 million	133	156
Malawi	\$25 million	212	241
Tanzania	\$19 million	50	36



Left: Andy Savoy-Burke, Compliance & Projects Manager - Logistics. Right: Moeen Tahir, Supply Chain Manager.



We distilled our many lessons learned into a checklist of actions to be taken during logistics emergencies caused by social-political unrest or natural disasters. Documented guidance combined with data in the hands of experienced staff enables us to create contingency plans and act swiftly in response to significant events.



Left: Altaf Bijarani, Manager Supply Chain Management, Common Management Unit, Pakitsan Ministry of Health. Right: Moeen Tahir, Supply Chain Manager.



Overall, the freight market turbulence shifted from airspace closures, lockdowns, reefer containers, and labor shortages during COVID-19, to raw material shortages, soaring freight prices, and port congestion; all intensified by a lack of forecasting data and limited supply chain visibility. These disruptions, once considered real exceptions, have become the new normal post COVID-19 operating climate for logistics service providers.

Despite these challenges, we delivered 2,602 shipments in the last year, many of which were cold chain, requiring the utmost handling and care. Among the cold chain shipments, **we had zero insurance claims**, a sterling feat among logisticians. Our cold chain diligence, reliable partners, and data logger implementation helped us achieve this milestone.

Compared to 2022, **we saved \$3.5 million in freight costs** by taking a tailored approach to shipment planning and awarding lanes based on best value and experience. Further, large shipments were evaluated, optimized, staggered, split, consolidated, or repalletized to ensure the most economical solutions and environmentally friendly modes of transport were pursued within reasonable lead times.

In 2024, we continue our mission to help clients move lifesaving health products to communities where it is needed most.

### **HEALTH LOGISTICS SERVICES IN A NUTSHELL**

We help clients develop and manage their supply chain by combining sourcing, procurement, and channel management services with logistics and 4PL services. We oversee the shipping process, from developing freight strategies and contracting with 3PLs to overseeing customs clearance and proof of delivery.

Along with our 3PL partners, we take the management of this whole process onto ourselves, completely relieving our clients of any responsibilities for this part of the supply chain.

We specifically manage, organize, and review incoterms and importation documentation, including tax exemptions, shipping lane assignments, shipping documents, advanced shipping notifications, issuing pick-up and delivery instructions, and customs clearance.

We monitor shipments, use track-and-trace tools to track the box, and deploy data loggers on all our cold chain and frozen shipments.

We also offer logistics as a standalone service to suppliers and clients who already have their supply and procurement mechanisms set up but need support moving their products to end destinations. Whether pharmaceuticals, medical equipment, or cold chain products like chemical reagents, PFSCM navigates the transportation and importation complexities on behalf of our clients and helps connect stakeholders for holistic supply chain execution.

An example of this service offering is PFSCM's work for Nutrition International. PFSCM supports Nutrition International by delivering Vitamin A soft gelatin capsules to Tanzania. PFSCM manages the upstream logistics, moving the products from Canada to the Central Medical Stores in Tanzania, and is responsible for pre-inspection of the goods, as well as tax waiver applications. PFSCM also assists the recipient in managing the customs clearance process for releasing the health products at the port of entry.



### **GLOBAL HEALTH COMMUNITY**

In 2023, PFSCM actively participated in several industry events to stay abreast of developments and share our knowledge with the global health and development community.

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In MARCH, we attended the Novel Antimicrobials & AMR Diagnostics conference in the US.

In JULY, we participated in the WHO/UNAIDS annual consultation.

In SEPTEMBER, we attended the World AMR Congress in Basel.

In OCTOBER, we attended the International **Network on Health and Hepatitis in Substance** Users conference.

In NOVEMBER, we attended Medica.

In DECEMBER, we participated in the joint UNICEF-**UNFPA-WHO Meeting for Manufacturers and Suppliers.** 

We ended the year on a high note by presenting talks and posters at several events and hosting friends from the global health and development community at our exhibition booths.



### AIDEX 2023 | GENEVA | OCT 2023

PFSCM had a booth in the US pavilion at last year's AidEx conference. AidEx is the world's largest annual event for humanitarian assistance and development.

One of PFSCM's core services is health and humanitarian logistics.

We work closely with a network of reliable freight forwarders to ensure products are delivered to some of the most challenging destinations in the world.

Since 2020, PFSCM has delivered critical health products to at least 30 countries facing various hardships ranging from natural disasters to conflicts and political and social unrest. Service delivery and supply chain continuity would not have been possible without the collaboration of our clients, suppliers, freight forwarders, and other supply chain partners.

At AidEx, PFSCM connected with the humanitarian aid and relief community to learn how we can become stronger, more agile, and more resilient.







### GHSC SUMMIT | NAIROBI | NOV 2023

PFSCM 4PL Services Director, Ishmael Muchemenyi, presented on "Leveraging supply chain data to manage cold chain risk" at last year's GHSC Summit.

Ishmael explained how digital tools and strategies can help supply chain stakeholders identify what supply chain data to prioritize and how to make it available to the right people at the right time — enabling them to make data-driven decisions for transport planning and cold chain risk mitigation.





### ICASA 2023 | HARARE | DEC 2023 -

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PFSCM Senior Laboratory Advisors Aloysius Bingi and Dr. Timothy Meehan, presented posters at the **ICASA** conference.

ICASA is a significant event in the healthcare industry, providing a platform for experts to share their insights and engage in discussions on healthcare in Africa.

Bingi presented crucial factors to consider during procurement and delivery of NGS equipment and consumables to avoid potential pitfalls that could lead to financial loss, product waste, or delays.

Tim presented the relevance of CD4 testing and explained some of the key changes that recently occurred in the CD4 market, with certain testing platforms being discontinued.

- View our poster entitled "CD4 still counts" here.
- View a 5-minute recording of this poster.



PFSCM Senior Laboratory Advisors Dr.Timothy Meehan, Royce Gomo, Aloysius Bingi



PFSCM Senior Laboratory Advisor, Dr. Timothy Meehan



PFSCM Senior Laboratory Advisor Aloysius Bingi





### EDUCATING PEERS ON CD4 MARKET CHANGES

Over the last few years, the CD4 diagnostic landscape has changed, with key testing platforms being discontinued. This supply chain disruption will make it more complicated for counties to secure CD4 stock and may affect health services delivery if stakeholders do not monitor the situation and adapt accordingly.

This is a supply chain scenario for which the PFSCM has been preparing to ensure that we can continue to support our clients with alternative testing products and offer them the best advice for managing risk so that they can continue to serve the millions of people living with HIV and advanced HIV disease (AHD).

PFSCM has created a document in which we explain briefly what CD4 testing is, what production and supply changes are occurring in the market, and what supply chain stakeholders, specifically procurers/buyers, can do to minimize supply disruption and, ultimately, ensure service continuity: Supply chain implications of recent CD4 market changes.



### ASLM 2023 | CAPE TOWN | DEC 2023

PFSCM participated in the ASLM's sixth biennial conference last year. The gathering from 12 to 15 December in Cape Town provided an excellent platform to learn about the latest advancements in laboratory equipment and healthcare in Africa.

PFSCM had a booth alongside our many reputable suppliers and service providers. We educated visitors on how reliable procurement and delivery mechanisms help increase access to sustainable, quality laboratory equipment, consumables, and services.

PFSCM Senior Laboratory Technical Advisor Mr. Mubanga Sydney Chanda gave an oral presentation on the key considerations for managing health supply chain risks associated with the procurement and delivery of NGS equipment and reagents that are critical for successfully implementing genomic surveillance programs.

#### View the presentation here.









The following PFSCM supply chain and laboratory experts also presented posters:

### **Dr. Timothy Meehan**

- Antimicrobial diagnostics: Streamlining supply chain and sourcing for LMICs.
- <u>CD4 still counts</u>: the changing landscape of CD4 diagnostics.
- Moving the needle: harmonizing low- and middle-income country's supply chains for injection drug use harm reduction.

#### Mr. Mubanga Sydney Chanda

Practical first steps towards implementing key circular economy

actions with a focus on sustainable procurement of laboratory products and environment-friendly waste management systems.

#### **Mr. Dion Guy**

Roadmap for capital equipment procurement to aid laboratories in setting up and expanding their infrastructure in a sustainable manner.

#### Dr. Maïté BARTHEL, M.Sc., Pharm.D

• <u>Product prequalification at the heart</u> of safe and sustainable laboratories.











### **NOTABLE ORDERS AND SHIPMENTS 2023**

### Nigeria: analyzers for TB LAMP

- Rollout of more than 120 analyzers used in TB detection.
- Small machines with multiple components, including solar panels and batteries.
- Extensive distribution planning and monitoring to track all components.
- Close collaboration with authorized distributor in Nigeria.
- Read more...

## **Pakistan:** X-rays to strengthen TB screening

- More than 80 medical imaging machines were procured by Pakistan.
- Several X-rays were delivered in 2023, with more deliveries pending in 2024.
- The order includes a mix of portable and ultraportable x-rays.
- Close collaboration among stakeholders is needed to secure tax waivers for imported equipment.
- Read more...



### **Mozambique :** CT scanners for lung disease

- Several CT scanners were installed at hospitals in Mozambique.
- Large, heavy equipment moved across thousands of kilometers of challenging terrain.
- Installation teams navigated small spaces and narrow hallways with just a few centimeters of margin for movement. Authorized distributor, and their in-country partner executed the logistics, installation, and training.
- Read more...



### **Tanzania:** ultrasounds for internal examinations

PFSCM procured and delivered 125 portable ultrasound machines to Tanzania. The machines were delivered to the Central Medical Stores and will be distributed to health facilities around the country by the Ministry of Health.



### **Vietnam:** analyzers for automated polymerase chain reaction testing

PFSCM, in collaboration with suppliers and freight forwarders, delivered several orders for different kinds of analyzers to Vietnam. PFSCM collaborated closely with the recipient to overcome countryspecific importation complexities related to medical equipment.



### **Zimbabwe:** autoclaves for sterilization

PFSCM, in collaboration with a supplier installed 76 autoclaves in hospitals and clinics throughout Zimbabwe. Autoclaves are used to sterilize medical instruments and equipment.





### SUSTAINABILITY

In 2023, PFSCM drove impactful change through equity, diversity, inclusion and belonging (EDIB) environmental initiatives, and sustainability achievements.

### **PFSCM'S SUSTAINABILITY ACHIEVEMENTS**



Measured, reported, and **REDUCED** greenhouse gas emissions from logistics operations.



Advocated for measures and approaches to **REDUCE** emissions with clients, and logistics providers.



Advanced shipment and packaging optimization, and shifted modes from air to less emissions-intensive sea and land options where possible.



Moved to a new building in the Netherlands that was constructed using materials with a LOW ENVIRONMENTAL **IMPACT OR RENEWABLE RESOURCES.** 



**Developed an EDIB Strategic** Plan and incorporating EDIB training into PFSCM's Learning Lab.

### **EDIB IMPACT IN 2023**

### **ENVIRONMENTAL AND OPERATIONAL SUSTAINABILITY INITIATIVES IN 2023**



147 staff members from 55+ nationalities.



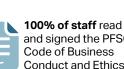
50/50 split between female and male managers.



80% of staff feel supported with work-life balance.



Over 85% of staff agreed that PFSCM had created an inclusive environment where people of diverse backgrounds can succeed and feel a sense of belonging.



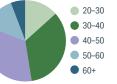
and signed the PFSCM Code of Business Conduct and Ethics.

**EDIB Policy** adopted

management system.

into the quality

### **DIVERSITY BY AGE**





QMS recertified to ISO 9001:2015 and aligned procurement processes with the ISO 20400:2017 guideline for Sustainable Procurement.



Identified opportunities to optimize pallet and container loading using Load Optimization strategy to save costs and reduce the logistics carbon footprint.



80% of products procured by PFSCM qualifed for Load Optimization.

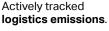


Tracked and calculated **business** travel emissions.



Monitored **Supplier** Sustainability efforts and identified where it could be improved.







### **PFSCM'S COMMITMENT TO SUSTAINABLE DEVELOPMENT AND CLIMATE ACTION**



#### **ATACH Membership:**

Joined the WHO-led Alliance for Transformative Action on Climate and Health (ATACH) to support WHO Member States in fulfilling their COP26 Health Programme commitments.



#### **UN Global Compact Membership:**

As a member of the UN Global Compact, we engage with other entities that are committed to the Sustainable Development Goals.



#### **GLEC** Participation:

As part of Global Logistics Emissions Council (GLEC) Framework, we measured and reported our freight emissions data in line with internationally recognized standards and methodologies.

### SUSTAINABILITY STRATEGY 2023-2024



#### **Strategic Actions:**

Published our sustainability strategy for 2023/24 and committed to reporting on our progress each year.



#### **Greenhouse Gas Emissions Reduction:**

PFSCM is committed to measuring, reporting, and reducing emissions from its logistics operations in line with internationally recognized standards and methodologies.



#### Sustainable Office Management:

PFSCM's US office is LEED certified, while its Netherlands office office consists of sustainable/natural materials.



#### EDIB:

PFSCM is committed to fostering an inclusive work environment, promoting pay and benefits equity, and developing strategic training programs.



#### **Economic Growth and Sustainability:**

PFSCM used its procurement expertise to boost economic growth and sustainability in the communities it serves by sourcing products locally where possible and identifying suitable suppliers through prequalification audits.



## **PFSCM ANNUAL REPORT** 2023



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