TOWARDS A HEALTHIER FUTURE FOR ASIA

Making healthcare more accessible in Asia has underpinned Zuellig Pharma’s business throughout our hundred year history and has seen us grow to become one of the leading providers of healthcare services in the region.

The United Nations (UN) defines sustainability as “meeting the needs of the present without compromising the ability of future generations to meet their own needs”. Our approach to business has always adopted a similar mindset of looking beyond immediate needs to consider the long-term future of our stakeholders. In 2019, we embarked on a journey to extend this philosophy and make sustainability an integral part of the way we run our business.

In line with the UN’s Sustainable Development Goal 3 for Good Health and Well-being, our vision is to build a healthier future for Asia by Improving Health Outcomes, Nurturing Talent, Respecting the Environment and Setting the Highest Standards of Integrity.

A highlight of our journey so far was joining the UN Global Compact (UNGC) in 2019, where we committed to implementing the UNGC Ten Principles in our business. In 2020, we were also awarded the Silver Medal by EcoVadis, placing us among the top 25% of companies assessed by the sustainability ratings specialist and among the top 3% of our industry.

Within this dedicated sustainability section, we outline our sustainability framework (p2), material issues under each pillar and examples across our markets (p3-p6). We also share about work with our dedicated regional charity partner (p7) and our approach to sustainable procurement (p8). We hope this will give you a clear picture of the vision we have for sustainability and how we are going to achieve it. We look forward to collaborating with our clients, customers and partners on this journey.

Our Sustainability Framework

PURPOSE
Making Healthcare More Accessible

SUSTAINABILITY VISION
Building a healthier future for Asia with our Clients & Customers

Improving Health Outcomes
- Access to Healthcare
- Affordability
- Community Engagement
- Preventative Care
- Enabling Healthcare Professionals

Nurturing Talent
- Talent Recruitment, Development & Retention
- Workplace Health & Safety
- Employee Wellbeing
- Employee Engagement
- Diversity & Inclusion

Respecting The Environment
- Climate Resilience
- Climate Change Mitigation & Energy Efficiency
- Responsible Waste Management
- Environment Compliance

Setting The Highest Standards Of Integrity
- Product Quality & Security
- Counterfeit Products
- Parallel Trade
- Bribery & Corruption
- Data Privacy & Security
- Public Policy
- Responsible Sourcing
- Responsible Sales & Marketing
Access to Healthcare: Making healthcare more accessible is our core purpose and at the heart of our operations. We enable access to medicines through warehousing and logistics services, including innovative last mile solutions that bring vital medicines to remote populations.

Affordability: We seek to reduce the overall cost of healthcare. CareConnect makes the supply chain more efficient through tailored payer and disease management programmes. It also supports over 200,000 patients under patient access and instalment payment programmes, which provide discounted medications or redemption offers.

Community Engagement: Zuellig Pharma has numerous programmes to support our employees, partners, patients and local communities. Where possible, our efforts encourage healthy behaviours, increasing disease awareness or access to healthcare.

Preventative Care: We are developing programmes to ensure that people in Asia have access to affordable vaccines, including our employees. We also prepare for outbreaks by ensuring patients have quick access to treatments.

Enabling Healthcare Professionals: Access to basic healthcare expertise is a pressing concern in emerging economies, especially to pharmacists who are often underserved. Harnessing our reach, we will invest in training and educational solutions for pharmacists so they can provide the best advice to support patients.

“Some of the poorest communities in Asia are struggling to access quality healthcare, including receiving much-needed treatments and vaccines. The region is also battling a rise in complex lifestyle diseases that are increasing the cost of healthcare. Strong partnerships with our clients and customers will accelerate our collective impact in building a healthier future for Asia.”

TOM VANMOLKOT
EXECUTIVE VICE PRESIDENT
DISTRIBUTION & CLIENT SERVICES,
PILLAR LEAD OF IMPROVING
HEALTH OUTCOMES

The Singapore team performed for patients and staff at Changi General Hospital and KK Hospital to share the joy of music and show support, as part of the team’s 60th anniversary milestone and the Sing’Theatre 365 Days of Music® SingHealth programme.

For the past three years, we have supported nursing scholarships in Myanmar to build a pipeline of healthcare talent in the country. The scholarship provides existing nurses with complete funding for a four-year course at selected universities.

In partnership with B. Braun, we supported the Angkor Hospital for Children during the dengue outbreak in Cambodia.

Employee Wellbeing: Our Human Resources teams take a holistic approach in managing physical and mental wellbeing, ensuring all employees have support when needed.

Employee Engagement: As a regional company with a variety of roles, Zuellig Pharma is building personalised approaches to developing fulfilling careers for our team. This will be supported by competitive pay, workload and managerial support.

Diversity and Inclusion: We believe in harnessing capabilities from the widest pool of talent. Our diversity initiatives extend throughout our people practices from recruitment to compensation, and promotion to ensure representation at every level. Employees complete annual diversity training as we continue to improve our awareness on this topic.

“Our 12,000 employees and suppliers work tirelessly every day to bring medicines to those who need it most. We want to focus on creating the right environment to attract, develop and engage a diverse workforce for the sustainable future of our business.”

MOHD FAUZI WAHAB
VICE PRESIDENT, HUMAN RESOURCES,
PILLAR LEAD OF NURTURING TALENT

Our Hong Kong team received the Caring Company award from The Hong Kong Council of Social Service for the fifth consecutive year. The award was given in recognition of good corporate citizenship and employee wellbeing initiatives, which included “Bring Your Kids to Work” day, complimentary health checks and a counselling hotline for employees.

Korea employees took part in the fight against breast cancer by registering more than 3,400 runners across the five-city Pink Run event. The event was organised to raise awareness and support for the Korea Breast Cancer Foundation.

Our Distribution team in Thailand participated in a “Step Challenge” from March to July 2019 to live a healthier life. The challenge saw employees aim for regular exercise by clocking at least 10,000 steps daily, while ensuring adequate water intake and sleep.
Climate Resilience: The region we operate in is extremely vulnerable to natural disasters. Our ability to distribute life-saving medicine in times of crisis has a direct and important impact on patient lives. Zuellig Pharma works closely with FM Global to identify and mitigate risks to our facilities, so that our business can prepare for and recover quickly from climate impact.

Climate Change Mitigation & Energy Efficiency: Zuellig Pharma is committed to significantly reducing its carbon footprint by using renewable energy and making our transport more efficient. We are a member of Green Freight Asia, an industry network focused on improving fuel efficiency, reducing carbon emissions and lowering logistics costs across the entire supply chain.

Responsible Waste Management: When expired medicines are discarded like other waste, it can be harmful to the environment and public health. While we do this safely, we are also piloting ‘collect back programmes’ for proper disposal at the consumer level. We also have programmes to reduce and manage waste in our facilities.

Environmental Compliance: We operate in an environmentally conscious way, according to the diverse regulations of our markets, and we want to be a catalyst in accelerating environmental progress for the rest of the healthcare industry. We are in the process of updating the standards we aim for, which includes helping our markets to comply with international certifications such as ISO 14001.

Environmental considerations were placed as a top priority during the building process of MDI’s new National Distribution Centre, which aims to be LEED-certified. Measures include a focused investment in clean energy technology such as solar roofs and LED lighting.

Volunteers from our ZPC team have been participating in a sustained tree-planting programme in Cebu since 2017, as rest for a healthier environment. The programme aims for the reforestation and rehabilitation of forest cover within the Central Cebu Protected Landscape.

Zuellig employees set a collective goal to reduce their carbon footprint by reducing plastics use, having meat-free days and office-wide lights off Earth Hour at noon daily. In one year, these actions will have the same positive effect of 320 trees absorbing carbon dioxide.

As part of our focus on Responsible Waste Management, we have replaced delivery centres with reusable plastic totes for customers within the Kota Kinabalu area in Malaysia.

“Climate change is a reality that not only affects health outcomes, but also directly impacts our mission of making healthcare accessible to the communities we serve. We believe that we have an ethical responsibility to protect the environment and comply with environmental laws and regulations.”

MAIKEL KUIJPERS EXECUTIVE VICE PRESIDENT, PHILIPPINES, PILLAR LEAD OF RESPECTING THE ENVIRONMENT

Product Quality and Security: We operate a robust quality management system that ensures product integrity, product security, patient safety and a vibrant culture of quality. We continually develop systems and innovations to remain leaders in this area.

Bribery and Corruption: We have a strong Anti-Bribery and Corruption programme to prevent, detect and respond to instances of bribery and corruption. Our Compliance team conducts audits to identify potential risks and ensures employees and suppliers adhere to the highest ethical standards.

Counterfeit Products: We are developing traceability solutions that empower healthcare professionals and patients to detect counterfeit products across Asia. These include eZTracker, a mobile-app that leverages blockchain to enable users to trace medical products to their legitimate manufacturer and country of origin.

Parallel Trade of Products: The unauthorised cross-border sale of medicines threatens patient accessibility and drug quality. Through eZTracker and other channels, we are addressing parallel trade across Asia and increasing its visibility to tackle it effectively.

Data Privacy and Security: We prioritise protecting our clients and customer data by continually developing robust cybersecurity and data privacy programmes to respond to this ever-evolving landscape.

Responsible Sourcing: We are committed to protecting the environment, procuring ethically, promoting fair labour practices and journeying with our suppliers to minimise environmental impact.

“Environmentally conscious way, according to the

“The foundation of our business has always been built upon us operating at the utmost levels of integrity. Our clients trust us to protect their products, reputation, and data. We do this by ensuring the integrity of the supply chain through safeguarding the quality and security of medicines, detecting counterfeit and grey market products, combating corrupt behaviour and safeguarding data we hold.”

Responsible Sales & Marketing: Healthcare companies are pivotal in helping the public make informed decisions on medicine usage. We contribute by ensuring adverse events and product comments are captured, analysed and acted on as appropriate.

Public Policy: Given our established position, we believe in supporting Asia’s governments to build a healthier future for their communities. We are developing a public policy framework to unlock the full potential within healthcare reform, population health, healthcare financing and support, disease management, and the use of data and analytics to guide policy.
Dedicated Charity Partner
ACTION4DIABETICS

Action4Diabetics (A4D) was set up in 2015 to transform the lives of young people diagnosed with Type 1 Diabetes (T1D) in South-East Asia.

T1D is an incurable condition which could be fatal if left untreated. Today, the charity cares for close to 400 T1D patients across the region. 95% of these children rely on A4D’s programmes for survival as their families are not able to afford or access medicine or medical supplies within the country. A4D provide essential medicines and developmental support like diabetes family camps, scholarships, and clinic programmes. They also engage doctors in under-resourced hospitals on T1D management.

Partnership
Zuellig Pharma has been a corporate sponsor of A4D for the past 3 years. Through our partnership, we have found different ways to support their cause and make a meaningful difference to the lives of these patients and their families. In early 2019, we also signed up to sponsor 14 children as part of their Sponsor-A-Child programme. This covers all costs for essential medicines, blood glucose monitors, transportation to and from clinics for checks and education for their families and carers.

Raising funds
COVID-19 led to the cancellation of A4D’s fundraising events, posing a severe risk to the lives of beneficiaries. To support these children, we organised the #Mission4Type1 Asia Virtual Challenge. Nearly 2,000 employees and clients virtually ran, walked and cycled a total distance of 39,604km, amounting to US$40,000 in donations from Zuellig Pharma. Together with an emergency US$25,000 contribution to the charity in April, and individual donations gathered during the challenge, we raised a total of US$89,500 which has provided all 450 children under A4D’s care with access to critical treatment for five months.

Equipping youths
A4D organises regular ASPIRE workshops to equip young adults who have T1D with the life skills and self-confidence. Harnessing our internal talent for long-term positive impact, David Cheah, our Corporate Head of Organisational and Talent Development, consulted with A4D and developed a tailored learning programme for the workshops.

Looking ahead
We look forward to working closely with A4D to improve the health outcomes of these children through the various initiatives, and ultimately help provide a healthier and happier future for them. For more information and to partner with A4D, please reach out to their team at www.action4diabetics.org.

As many companies start to think critically about how to integrate sustainability throughout their supply chain, there has been an increased focus on the concept of sustainable procurement. It is largely defined as practices that strive to have a positive environmental, social and economic impact across the purchasing and supply management lifecycle, while upholding company needs for cost efficiency and security of critical supply.

Our approach
Zuellig Pharma has developed a strong reputation for integrity and impact over the past century. This role was built on the seamless collaboration between our employees and the suppliers. We wanted to apply the same high standards of collaboration with our partners when it came to journeying towards a healthier future.

Our procurement team ultimately aims to be a force for good, educating our suppliers on the need for sustainability, while promoting supplier diversity, equality, and inclusion. As a priority, we will address environmental challenges by minimising pollution, emissions, and energy consumption. Secondly, we commit to fair labour practices, including adherence to workplace health and safety, minimum labour rates and wages, and specific country regulations. Lastly, we proactively seek and encourage sustainable innovation with our key partners and clients.

Driving responsible sourcing in Asia
In Asia, Zuellig Pharma works primarily with local suppliers to make healthcare more accessible to communities. While some of our smaller local partners will not be able to comply immediately with all sustainability criteria, we take an inclusive approach by registering their willingness to comply with our requirements. We then work with them on a phased roadmap to achieve shared goals. For instance, we are collaborating and bringing our key suppliers up to the required standards, through Health, Safety and Environment and ecological awareness training.

We started laying the foundations of our sustainable roadmap by establishing a Global Sustainable Procurement Policy and Supplier Code of Conduct. In coming up with these policies, we worked very closely with our suppliers and internal buyers, to ensure that policies set would be highly relevant and impactful. This helped us to balance sustainability and secure supply while building up our suppliers.

It is important to recognise that sustainable procurement is a journey. Zuellig Pharma has a vision of where we need to get to and an action plan to do so. Every day we are teaching ourselves and our supply base about the importance and advantages of sustainability. We look forward to continuing on our path of empowering local communities through sustainable procurement practices.

Reach out to our Sustainability Team at Sustainability@zuelligpharma.com if you would like to partner with us on any of our four key sustainability pillars.