



2009

TIMA UN GC Communication on Progress (CoP) 2008



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1. INTRODUCTION

TIMA GmbH is a signatory to the United Nations Global Compact, a platform for encouraging and promoting good corporate principles and learning experiences in the areas of human rights, labor, environment and anti-corruption. After having joined the GC in 2006, this second TIMA Communication on Progress (CoP) is covering our activities in 2008. We have thus far communicated our efforts and achievements in different areas of our website, and would hereby like to call your attention to these areas according to the structure suggested by the Communication on Progress (CoP) Guidelines.

⇒ See: <http://www.tima-gmbh.de/aus-der-krise-mit-der-tima-3ic-doppelstrategie-turn-around-konsolidierung-und-globalisierungspower.html>

2. LETTER OF SUPPORT

TIMA International is committed to the international principles of the UN Global Compact. Our company works for and with enterprises that need to successfully meet the challenges of the market caused by globalization. TIMA develops new business models, organizes international clustering and trans-corporate processes for sustainable value creation and prosperity. TIMA International has developed an initial UN GC business model, the TIMA UN Global Compact Cluster Business Model, that ensures profit generation, sustainability, and an increasing corporate value through prosperity sharing within the framework of the UN Global Compact. Through transparent cluster management with process responsibility for the development and management of worldwide value chains, our business model lowers risks, raises the value of the company and its image.

Our initial activity for the UN Global Compact was to lead a medium size company with about 3 300 employees into the UN GC and serving as UN GC coordinator in an important international project on women's health in India. In 2008, we have led another company, GEISTER Medizintechnik, into the Global Compact.

In 2008, the economic world also had to finally accept that a fundamental process of change has started; a paradigm shift that is driven particularly by the potential of emerging markets. Two billion new consumers, and those enterprises that have already positioned themselves successfully, shape these markets with their patterns of demand and expectation – and with a new drive for ethical guidelines, trust and transparency.

In response to such developments and their new requirements, we have formed a UN GC cluster with TÜV Rheinland - another well-known UN GC member - which enables us to build closed UN GC based value chains from production all the way to evaluation with specific TIMA-ESG-Potential reports on sustainability.

The 60th anniversary of the Universal Declaration of Human Rights in 2008 prompted us to further step up our efforts to proliferate these values. Our engagement with our business partners is being firmly engrained in our corporate policy, and the code of conduct for TIMA partners which is available on our website serves as a model for others.

Support for the UN Global Compact – and the principles it sets forth – is thus an indispensable component of the sustainable development approach - defined and promulgated by our expert personnel from all different sectors.



Dr. Achim Georg Deja - CEO of TIMA GmbH International

3. PRACTICAL ACTIONS AND MEASUREMENTS OF OUTCOMES FOR THE 10 PRINCIPLES

The UN Global Compact (UN GC) is a platform for encouraging and promoting good corporate principles and learning experiences in the areas of human rights, labour, environment and anti-corruption. The GC asks companies to embrace, support and enact 10 principles of conduct within their sphere of influence.

| Principle 1 | Businesses should support and respect the protection of internationally proclaimed human rights. |
|---------------------|--------------------------------------------------------------------------------------------------------------------------|
| Principle 2 | Businesses should ensure that they are not complicit in human rights abuses. |
| Principle 3 | Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining. |
| Principle 4 | Businesses should support the elimination of all forms of forced and compulsory labour. |
| Principle 5 | Businesses should support the effective abolition of child labour. |
| Principle 6 | Businesses should support the elimination of discrimination in respect of employment and occupation. |
| Principle 7 | Businesses should support a precautionary approach to environmental challenges. |
| Principle 8 | Businesses should undertake initiatives to promote greater environmental responsibility. |
| Principle 9 | Businesses should encourage the development and diffusion of environmentally friendly technologies. |
| Principle 10 | Businesses should work against corruption in all its forms, including extortion and bribery. |

The Global Compact's ten principles in the areas of human rights, labor, the environment and anti-corruption enjoy universal consensus and are derived from:

- The Universal Declaration of Human Rights
- The International Labor Organization's Declaration on Fundamental Principles and Rights at Work
- The Rio Declaration on Environment and Development
- The United Nations Convention Against Corruption

Find out more on the UN Global Compact at: <http://www.unglobalcompact.org>

3.1 HUMAN RIGHTS STANDARDS (PRINCIPLES 1-6)

Progress

Respect for human rights and fair labor standards have always been part of the corporate culture that TIMA GmbH lives on a day to day basis. This is formally reflected in our Business Guidelines. Those guidelines are mandatory for all our employees and business partners. We seek to promote these values in our sphere of influence.

If worldwide economic stability and sustainability for enterprises of all sizes is to be ensured, the fundamental shift of power between international economic actors and regions requires that prosperity be shared on a basis of universal binding ethical guidelines, human rights, trust and transparency.

Many multinational corporations recognized already early on that this trend is irreversible, and therefore joined the Global Compact. Subsequently; however, more and more small and medium-sized enterprises (SMEs) have also recognized the urgent need to adopt new structural positioning approaches. A key challenge for such enterprises is to move from focusing merely on end results, to a more comprehensive responsibility for the whole production chain.

An important example is the health business sector, which is being decisively altered by developments in biomedical therapies. Biomedicine is particularly dependent on research, technology development and ethics, and therefore demands a special degree of transparency, trust and compliance in joint projects on a global scale.

In 2008, TIMA was instrumental in bringing GEISTER Medizintechnik into the Global Compact. By doing so, GEISTER has given itself a globally valid ethical reference framework for its business activities. Within the process of introducing Geister Medizintechnik to the UN Global Compact, TIMA made the company familiar with the contents of the Compact, along with the economic possibilities and ethical duties this entails.

The TIMA Code of Conduct, which is based on the Global Compact guidelines, served as blueprint for GEISTER Medizintechnik. In connection with this, TIMA discussed what employees and partners will need to do and what content requirements will need to be fulfilled in order to develop a CoP. As a first step, TIMA co-authored the first GEISTER publication in the UN Global Compact report 2008.

When any enterprise voluntarily commits itself to the ten GC Principles, and increases transparency and accountability in communications, enhanced trust among employees and partners is also extended to clients, external stakeholders and consumers. Further, when employees 'walk the talk' by living up to these values in practice, they reinforce the enterprise's ethical responsibility, becoming critical drivers for the adjustments and risk-management processes that allow challenges to be met and ensure outstanding business performance.

Under the GC, all these actions are organized, compliance evaluated, and certified by an independent source. For this reason, in 2008, TIMA entered into a cluster cooperation arrangement with TUV Rheinland, based on its protected TIMA GC Cluster Model for Prosperity Sharing.

As the service provider for successful company re-modeling, international clustering and risk avoidance in globalization processes, TIMA manages and documents activity, thereby ensuring social acceptance. TUV Rheinland, with its specially developed STAR Program, handles evaluation and certification. This way, the documentation



of each entrepreneurial step and result will be ensured, and transparency increased. Finally, the TIMA tool of the ESG-Potential Analysis Report evaluates the benefits and closes the gaps.

In conclusion, through our joint activities, TIMA International will further strengthen the UN Global Compact's own credibility: by increasing transparency in its own and its clients' projects, and in all steps towards realizing the Ten Principles, voluntary commitments are guaranteed to be realized in practice, rather than remain declarations of intent.

3.2 ENVIRONMENTAL STANDARDS (PRINCIPLES 7-9)

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Within TIMA, we have:

- ✓ Started a campaign against unsolicited advertising faxes in order to reduce unnecessary paper and print consumption

3.3 ANTI-CORRUPTION (PRINCIPLE 10):

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TIMA takes a firm stand against corruption. Mandatory guidelines for all our employees, especially our Code of Conduct Guidelines, are very specific on this subject. We have made such guidelines available on our website.

4. ATTACHMENTS

⇒ TIMA Global Compact Cluster – Win-Win for all, in: German UN Global Compact Yearbook 2008, Münster: Macondo 2009, pp. 112-113..

⇒ The better way to operate – GEISTER Medizintechnik joins the Global Compact, in: German UN Global Compact Yearbook 2008, Münster: Macondo 2009, pp. 86-87.